

INNOVATION  
CREATIVE  
PROGRESS






20<sup>TH</sup> ANNUAL REPORT FOR THE YEAR 2018-2019

# ANNUAL REPORT





## **TABLE OF CONTENTS**

| <b>Sr. No</b>  | <b>Particulars</b>  | <b>Page No.</b> |
|--|---|-----------------|
| <b> COMPANY OVERVIEW</b>                    |   |                 |
| 1.   | About Us  | 1-2             |
| 2.   | Message from Managing Director                            | 3-5             |
| 3.   | Corporate Information                                     | 6-7             |
| <b> STATUTORY REPORTS</b>                   |   |                 |
| 4.   | Notice of AGM   | 8-17            |
| 5.   | Report of Board of Directors                              | 18-37           |
| 6.   | Annexure-I: Extract of Annual Return                      | 38-48           |
| 7.   | Annexure-II: Form AOC-2                                   | 49              |
| 8.   | Annexure-III: Independent Auditors Report                 | 50-59           |
| 9.   | Annexure-IV: Secretarial Auditors Report                  | 60-65           |
| 10.  | Annexure-V: Particulars pursuant to Section 197 (12)      | 66-67           |
| 11.  | Annexure-VI: Nomination and Remuneration Policy           | 68-74           |
| 12.  | Annexure-VII: Management Discussion and Analysis Report   | 75-78           |
| 13.  | Annexure-VIII: Certification from MD, CFO under Reg-17(8) | 79-80           |
| <b> FINANCIAL STATEMENTS (STANDALONE)</b> |   |                 |
| 15.  | Balance Sheet   | 81              |
| 16.  | Statement of Profit and Loss                              | 82              |
| 17.  | Cash Flow Statement                                       | 83-84           |
| 18.  | Significant Accounting Policies                           | 85-93           |
| 19.  | Notes   | 94-108          |
| 20.  | Attendance Slip   | 109             |
| 21.  | Proxy Form  | 110             |
| 22.  | Route Map to the Venue of AGM                             | 111             |





## **ABOUT US**

Successfully travelled around 35 years of long journey from a Partnership Firm to a well-managed corporate i.e., **GOLDSTAR POWER LIMITED**. Today Goldstar is the highly reputed name in the power industry.

Incorporated in the year 1999, we are a battery manufacturing Company, manufacturing & marketing our products under our flagship brand –**GOLDSTAR**. Our Company, Goldstar Power Limited is located at Hapa, Jamnagar on Jamnagar-Rajkot Highway, Gujarat

Renowned as India's only manufacturing leader having a fully integrated unit and production facility at a single place under single control spreads over an area of approx. 125000 Sq. Ft. beneath its umbrella, Goldstar has gained eminence for manufacturing and delivering quality products under the flagship brand- "**GOLDSTAR**". Its manufacturing facility is equipped with requisite infrastructure including machinery, other handling equipment to facilitate the smooth manufacturing process. Since its inception in 1999 with the sole intention, vision, and impulsion of one man, Shri Mulji Pansara, and until date, the group runs on the same unshakable principles and solid values that have anchored the organization firmly.

The product range covers various types of batteries including:

- **Automotive Batteries for Car, Tractor & Heavy-Duty Trucks;**
- **Tubular Batteries for Inverter & Solar Applications;**
- **SLI & Tubular Batteries for E-Rickshaw;**
- **SMF VRLA Battery for UPS Application.**
- **Motor Cycle Batteries;**

The Company achieved ISO 9001:2015 certification. As an ISO 9001:2015 company, it assures that it maintains consistent high standards. GOLDSTAR is committed to providing its customers with superior quality products and has implemented rigorous quality system. Goldstar is an Indian Brand in batteries which is having global presence and slowly but firmly going ahead towards becoming leader by providing alternative power solution.

Our manufacturing facility is equipped with requisite infrastructure including machinery, other handling equipment to facilitate smooth manufacturing process. We Endeavour to maintain safety in our premises by adhering to key safety norms. Our manufacturing process is integrated from procurement of raw materials to final testing. Currently, the Company caters to all three segments of market viz. exports, domestic/after-sales market, and OEM customers like AMCO, Amaron, TAFE, HBL, ADDO, SU-Kam, etc. Our tubular batteries are exported to Africa, Yemen, Lebanon, Dubai, Syria, Afghanistan, Nepal and other middle-east countries.

## **GOLDSTAR ANNUAL PRODUCTION CAPACITY IS AS FOLLOWS:**

- Inverter batteries 3.5 Lakhs;
- Automotive 3.5 Lakhs;
- Solar 1 Lakh;
- VRLA Batteries 10 Lakhs and;
- E-Rickshaw 1.5 Lakhs.

## **TESTING & QUALITY**

The plant is fully equipped with latest imported equipment's Oxide mill's, Automatic grid casting, pasting machine, plate curing Oven, plate charger, Drying Oven, and COS etc. The company has laboratories and testing house with all required testing equipment's like Spectrometer for testing raw materials and finished products

## **DISTRIBUTOR & DEALERS**

Goldstar has its own strongest Sales & Service Network in PAN India basis and around 2000 no's distributor and dealers.

## **MAJOR CLIENTS**

The Goldstar has a widespread customer base with its domestic customer base situated in various regions of the country and the international customers situated across varied countries like Uganda, Nepal, Lebanon, Dubai, Syria, Yemen, Afghanistan and other Middle East Countries in a smooth manner. Some of its major clients include AMCO, AMARON, TAFE, HBL, EASTMAN, Etc. which are the leading brands in India. Also, we have strong export network with art of manufacturing facility at South Africa especially meant for VRLA battery plant set up.

We are also listed on **National Stock Exchange of India Limited (NSE)** having Nationwide Presence and our good quality material and punctuality has made us reach a great height in the market today. We are among the list of "Top 10 Battery Manufacturers in the SME segment of Country". So far we have distributed our batteries in many places all over the globe.

## **FEATHERS IN THE CAP OF GOLDSTAR**

- 'Emerging SME Stars Award'.
- 'Skotch Order of Merit Award' for qualifying amongst TOP 100 SMEs in India.
- 'Bharat Udhog Ratan Award' at International Business Council.

## MESSAGE FROM THE **MANAGING DIRECTOR**



OUR FOCUS DURING THE YEAR HAS BEEN TO STRENGTHEN OUR RELATIONSHIPS WITH OUR EXISTING CUSTOMERS WHILE ADDING NEW CUSTOMERS ACROSS MARKETS AND REGIONS AND WITH THE AIM TO INCREASE THE EXPORTS OF GOLDSTAR POWER LIMITED



### **DEAR SHAREHOLDERS,**

*It is my immense pleasure to present the 20<sup>th</sup> Annual Report of “M/s Goldstar Power Limited”. Firstly, I would like to thank the most important pillar of our success “Our shareholders” who reposit their trust in the company. We Goldstar Power Limited get honored to have such investor who made trust and confidence in the company by flowing their investment for dual growth. We feel honored to communicate with you at the 20<sup>th</sup> Annual General Meeting of your company.*

*Each milestone in the journey confers us with new learning and insights that help us grow into a more proficient organization. Client satisfaction is our top priority and we are willing to walk extra miles to accomplish it.*

*With absolute focus on high quality, high margin products, we aspire to become a globally reputed player in Battery Manufacturing Products. Going forward, we are anticipating good growth across segments.*

*We are also increasing our goals for expanding the exports business with reputed clients that will ultimately benefit the company in the overseas market presence.*



Your Company has declined the revenue from Rs. 43.23 Crores to 36.36 Crores in 2018-19, while the Net Profit has increased from Rs. 28,89,805.76/- to Rs. 1,01,06,561.06/- in 2018-19. We remain in the profit zone, although our performance dipped considerably. More importantly, the batteries business remained profitable.

Your Company has increased the Exports Market in various countries, we also made a significant achievement in the Exports Business in the year 2018-19 and also planning to create almost double the business in next year in the overseas market. We believe in nurturing long term professional association with clients by providing highest standards of service that up to their expectations. We are committed to find ways and means to mark our presence in all potential markets and reach new customers with world class battery products.

The Battery Industry Market is extremely competitive and requires consistent changes with regard to superior quality products, design, technology and so on. Your Company is committed to investing in product development that not only refreshes our global presence in the battery market but also allow us to enter new product categories that fall with the ambit of our competence with other battery companies. The in-house product development unit is constantly scoping, researching and evaluating product concepts and we see the efforts of this unit as critical in keeping our brand relevant to our customers.

I am pleased to report that in light of the above stated facts your Company is confident to achieve new milestones in its journey towards sustainable growth through total excellence. Goldstar Power Limited has pursued the business excellence through passion, perseverance and commitment to offer the best to its customers.

### **Going Forward**

As we step into fiscal 2019-20, we look forward to better times and improved performance. The current year could emerge as an inflection point in our transformation journey.

From a performance perspective, the volatility in the power sector and the overall slowdown in the India's economic progress will cast a shadow on the Company's performance in the

current year. Hence despite the positive developments in our battery business verticals, we expect a subdued performance in the current year in terms of growth and profitability.

Before concluding, I would like to thank our Board of Directors for their constant guidance and support. The growth of our organization is directly proportional to the quality of our supplies and our company attempts to supply high quality battery products at a competitive price.

I must acknowledge the immense contribution of the entire team of the Goldstar, who push their boundaries, rise above challenges and leave no stone unturned to achieve consumer satisfaction. I am thankful to all our stakeholders, our Bankers, our Investors, our Vendors and most importantly our customers for their trust and faith

*A special thanks to our wonderful team for their sincere efforts, consistently, to help us achieve the earmarked growth targets towards the success of “Goldstar Power Limited”. I look forward to your continuous support to scale newer heights of success in future as well.*

*Warm Regards,*

**Navneet M. Pansara**  
Managing Director  
(DIN: 00300843)

# **CORPORATE INFORMATION**

## **BOARD OF DIRECTORS**

### **CHAIRMAN**

Mr. Mulji M. Pansara  
(DIN: 00300722)

### **MANAGING DIRECTOR**

Mr. Navneet Pansara  
(DIN: 00300843)

### **EXECUTIVE DIRECTORS**

### **WHOLE-TIME DIRECTOR**

Mr. Amrutlal Pansara  
(DIN: 00300786)

Mr. Vishal Pansara  
(DIN: 02230565)

### **DIRECTOR & CHIEF FINANCIAL OFFICER**

Mrs. Dhruti Pansara  
(DIN: 01943399)  
(Resigned w.e.f. 25.03.2019)

### **INDEPENDENT DIRECTORS**

Mr. Chetan Khattar  
(DIN: 00020777)

Mr. Jayant Virani  
(DIN: 07831403)

Mr. Hemraj Patel  
(DIN: 07830488)

### **KEY MANAGERIAL PERSONNEL**

**Chief Financial Officer**  
Mr. Pranav Pandya

(PAN: AHIPP9542R)  
(Appointed w.e.f. 01.04.2019)

### **Company Secretary & Compliance Officer**

Mr. Darshak Thaker  
(M. No: A46919)

### **STATUTORY AUDITORS**

M/s Doshi Maru & Associates  
Chartered Accountants  
(Term Expires from this AGM)

### **SECRETARIAL AUDITOR**

Mrs. Purvi Dave  
(MJP & Associates)  
Practising Company Secretaries

### **REGISTER & SHARE TRANSFER AGENT**

**LINKINTIME INDIA PRIVATE LIMITED**  
C-101, 1st Floor, 247 Park, L.B.S Marg,  
Vikhroli (West), Mumbai  
Tel: 022- 49186200  
Email: goldstar.ipo@linkintime.co.in  
Website: www.linkintime.co.in  
Contact Person: Shanti Gopal Krishnan  
SEBI Registration Number: INR000004058

### **REGISTERED OFFICE**

**GOLDSTAR POWER LIMITED**  
Behind Ravi Petrol Pump,  
Rajkot Highway, At & Post Hapa,  
Dist. Jamnagar, Gujarat-361120, India  
Tel: 0288-2571120/21

### **PRINCIPLE BANKER**





## **BOARD'S COMMITTEE**

### **AUDIT COMMITTEE**

#### **CHAIRMAN**

Mr. Jayant Virani  
(DIN: 07831403)

#### **MEMBERS**

Mr. Chetan Khattar  
(DIN: 00020777)

Mr. Hemraj Patel  
(DIN: 07830488)

### **NOMINATION AND REMUNERATION COMMITTEE**

#### **CHAIRMAN**

Mr. Hemraj Patel  
(DIN: 07830488)

#### **MEMBERS**

Mr. Jayant Virani  
(DIN: 07831403)

Mr. Chetan Khattar  
(DIN: 00020777)

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

#### **CHAIRMAN**

Mr. Chetan Khattar  
(DIN: 00020777)

#### **MEMBERS**

Mr. Jayant Virani  
(DIN: 07831403)

Mr. Hemraj Patel  
(DIN: 07830488)



# **NOTICE of AGM**

NOTICE IS HEREBY GIVEN THAT THE 20<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF GOLDSTAR POWER LIMITED IS SCHEDULED TO BE HELD AS BELOW:

---

|        |                    |         |                          |
|--------|--------------------|---------|--------------------------|
| Date : | September 25, 2019 | Place : | Registered Office at     |
| Day :  | Wednesday          |         | Behind Ravi Petrol Pump, |
| Time : | 11:00 A.M.         |         | Rajkot Highway,          |
|        |                    |         | At & Post Hapa,          |
|        |                    |         | Dist. Jamnagar- 361120,  |
|        |                    |         | Gujarat, India.          |

TO TRANSACT THE FOLLOWING BUSINESS:

❖ **ORDINARY BUSINESS:**

**1. ADOPTION OF FINANCIAL STATEMENTS:**

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon;

**2. RE-APPOINTMENT OF RETIRING DIRECTOR:**

To appoint a Director in place of Shri Amrutlal M. Pansara, Whole-Time Director, [DIN: 00300786] as a director, who retires by rotation and being eligible, offers himself for re-appointment

**3. APPOINTMENT OF STATUTORY AUDITORS AND FIXING THEIR REMUNERATION:**

To consider and thought fit, 2 to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant the provisions of Sections 139, 142, and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, **M/s. Jain Chowdhary & Co., Chartered Accountants, Mumbai (ICAI Firm Registration Number: 113267W)**, be appointed as statutory auditors of the company, in place of retiring auditors M/s. Doshi Maru & Associates, Chartered Accountants (Firm Registration Number: 0112187W), to hold office for period of 5 years from the conclusion of this 20<sup>th</sup> AGM i.e. for financial year 2019-20 to financial year 2023-24 (till AGM to be held in year 2024) subject to approval of members in an ensuring AGM, at such remuneration and out of pocket expense, as may be decided by the Board of Directors of the Company.”

By Order of the Board of Directors  
For, **GOLDSTAR POWER LIMITED**

Sd/-

**Darshak Thaker**  
Company Secretary  
(M.NO A46919)

Place: Jamnagar  
Date: August 30, 2019

## **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF ON POLL. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% PERCENT OF THE TOTAL SHARE CAPITAL MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.
2. THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS/AUTHORITY, AS APPLICABLE.
3. Corporate Members intending to send their authorised representatives to attend the meeting, pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board resolution together with respective Specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
4. Brief Profile of the Directors Retiring by Rotation & being eligible offering themselves for the re-appointment and/or the Independent Directors being re-appointed has been provided hereto and forming part of Annual Report as per requirements of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015/ Secretarial Standards.
5. Attendance Slip, proxy form and the route map of the venue of the Meeting has been provided hereto and forming part of Annual Report.
6. The Register of Member and Share Transfer Books will remain closed from **Thursday, 19<sup>th</sup> September, 2019, to Wednesday, 25<sup>th</sup> September, 2019 (both days Inclusive)** for the purpose of Annual General Meeting. The book closure dates have been fixed in consultation with the Stock Exchange.
7. The Register of Directors and Key Managerial Personnel (KMP) and their Shareholding and Register of Contracts or Arrangements in which Directors are interested



maintained under Section 170 and Section 189 of the Companies Act, 2013 respectively will be available for Inspection by the Members at the Annual General Meeting.

8. Members desirous of getting any information about the Accounts and/ or Operations of the Company or any questions at the Annual General Meeting are requested to write to the Company so as to reach the Company's Registered Office at least 10 days before the Annual General Meeting to enable us to keep the information ready at the Meeting.
9. The persons whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on **Wednesday, 18<sup>th</sup> September, 2019 i.e., cut-off date** only shall be entitled to vote at the AGM.
10. Members/proxies are requested to:
  1. Bring the Copy of the Annual Report and Attendance Slip with them at the Annual General Meeting;
  2. Quote their Regd. Folio Number/ DPID and Client ID Nos. in all their correspondence with the Company or its Registrar and Share Transfer Agent.
11. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9 A.M. to 5 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.
12. Member's voting rights shall be in proportion to his/her share of paid up share capital of the company. In case of Joint holders attending the meeting together, only whose name appearing first, will be entitled to vote.

**Further, a person who is not a member as on the cut-off date should treat this Notice for information purpose only. A person who has acquired the shares and has become a member of the Company after dispatch of the Notice of the AGM and prior to cut-off date i.e. Wednesday, 18<sup>th</sup> September, 2019 i.e., shall be entitled to exercise his/ her vote either electronically i.e. remote e-voting or through the poll/ ballot paper at the AGM by following the procedure mentioned in this part.**

**13. VOTING THROUGH ELECTRONIC MEANS:**

Pursuant to provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to exercise members right to vote at the ensuing Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by National Depository Services (India)

Limited (NSDL). The Company has engaged the services of National Securities Depository Limited ("NSDL") as the Authorized Agency to provide E-voting Facilities.

The facility for voting through ballot paper shall be made available at the AGM, and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot. E-voting facility will not be made available at the AGM venue. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

**The voting period begins on Sunday, September 22, 2019 at 9:00 A.M. (IST) and ends on Tuesday, September 24, 2019 at 5:00 P.M. (IST). During this period members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date), Wednesday, September 18, 2019, may cast their vote electronically. The e-voting module shall be disabled by NSDL for e-voting thereafter.**

**The procedure to login to E-voting website consists of two steps as detailed hereunder:**

**STEP 1: LOGIN TO NSDL E-VOTING SYSTEM**

- 1) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>;
- 2) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section;
- 3) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically;
- 4) Your User ID details will be as per details given below:
  - a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*);
  - b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*);
- 5) Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote;
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password;
  - c) How to retrieve your 'initial password'?
    - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. **evoting.pdf file**. Open the **.pdf file**. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password';
    - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address;
- 6) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on **[www.evoting.nsdl.com](http://www.evoting.nsdl.com)**;
  - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on **[www.evoting.nsdl.com](http://www.evoting.nsdl.com)**;
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at **[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)** mentioning your demat account number/folio number, your PAN, your name and your registered address;
- 7) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box;
- 8) Now, you will have to click on "Login" button;
- 9) After you click on the "Login" button, Home page of e-Voting will open;

## **STEP 2: CAST YOUR VOTE ELECTRONICALLY ON NSDL E-VOTING SYSTEM**

- 1) After successful login at **Step 1**, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles;
- 2) After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status;
- 3) Select “**EVEN**” (**E-voting Event Number**) of Goldstar Power Limited. Members may cast their vote online from **Sunday, September 22, 2019 (9:00 AM) to Tuesday, September 24, 2019 (05:00 PM)**;  
**Note: E-voting will not be allowed beyond the said time.**
- 4) Now you are ready for e-Voting as the Voting page opens;
- 5) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted;
- 6) Upon confirmation, the message “Vote cast successfully” will be displayed;
- 7) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page;
- 8) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

- *Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail (Scrutinizer mail ID) to with a copy marked to **evoting@nsdl.co.in**;*
- *It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **“Forgot User Details/Password?”** or **“Physical User Reset Password?”** option available on **www.evoting.nsdl.com** to reset the password.*

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of

<https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

**MAIL AT:**

**National Securities Depository Limited**

Trade World, 'A' Wing, 4<sup>th</sup> Floor,  
Kamala Mills Compound,  
Senapati Bapat Marg, Lower Parel,  
MUMBAI 400 013  
Email: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

14. In support of Green Initiative announced by the Government of India, all the members holding shares in electronic form are requested to intimate their email addresses with their Depository Participants to enable the Company to send the Annual Report, Accounts, Notices and other documents through electronic mode to their e-mail addresses.

Pursuant to the provisions of Section 101 and 136 of the Companies Act, 2013 read with the Company (Account) Rules, 2014 Annual Report for the Financial Year 2018-2019, Notice of the 20<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all the members whose email addresses are registered with the Company/Depository Participant(s) unless any member has requested for a Hard copy of the same. For Members who have not registered their email address, physical copies of the Annual Report is being sent through permitted mode. Members may also note that the Annual Report for the Financial Year 2018-19 will also be available on the Company's Website [www.goldstarpower.com](http://www.goldstarpower.com) under Investors section for download and that of National Depository Services (India) Limited ("NSDL"), [www.evoting.nsdl.com](https://www.evoting.nsdl.com).

15. To prevent Fraudulent Transactions, Members are advised to exercise due diligence and notify the company immediately any change in the address or demise of any member as soon as possible to their Depository Participants with whom they are maintaining their Demat Accounts. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the Concerned Depository Participant and holdings should be verified.
16. The NRI shareholders are requested to inform the Company immediately about:
  - a) The change in the Residential Status on return to India for Permanent Settlement;
  - b) The particulars of NRO bank account in India if not furnished earlier.

17. The Company has appointed **CS Purvi G. Dave**, (ICSI Membership Number: ACS 27373, Certificate of Practice No: 10462), **Partner, MJP Associates, Practising Company Secretary, (Firm Registration No: P2001GJ007900)** who in the opinion of the Board is a duly qualified person to act as a Scrutinizer, who will scrutinize the entire voting process in the Annual General meeting in a fair and transparent manner.

**E-voting Facility will not be made available at the AGM venue.**

18. The Scrutinizer shall immediately, after the conclusion of voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and not later than 2 days from the conclusion of meeting, make a Scrutinizer's report of the votes cast in favour or against, if any, to the Chairman of the Company, who shall counter sign the same. Thereafter, the chairman or the person authorised by him in writing shall declare the result of the voting forthwith.
19. The results shall be declared at or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Website of the Company [www.goldstarpower.com](http://www.goldstarpower.com) and on the website of NSDL- [www.evoting@nsdl.co.in](http://www.evoting@nsdl.co.in), immediately after the result is declared by the Chairman and communicated to NSE Limited.

By Order of the Board of Directors,  
**For, GOLDSTAR POWER LIMITED**

Date: August 30, 2019  
Place: Jamnagar

**Darshak Thaker**  
Company Secretary & Compliance Officer  
(M. No: A46919)



**“ANNEXURE TO NOTICE”**

**BRIEF PROFILE OF DIRECTORS SEEKING REAPPOINTMENT IN THE 20<sup>TH</sup> AGM TO BE HELD ON WEDNESDAY, SEPTEMBER 25, 2019 PURSUANT TO REGULATION 36 OF SEBI(LODR)REGULATIONS, 2015 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARDS ON GENERAL MEETINGS ARE AS FOLLOWS:**

| <b>Directors Name</b>  | <b>Mr. Amrutlal M. Pansara</b>   |
|--|--|
| <b>DIN</b>   | 00300786   |
| <b>Date of Birth</b>   | 28 <sup>th</sup> December, 1970  |
| <b>Date of Appointment as a Director in the Company</b>  | 12 <sup>th</sup> July, 1999  |
| <b>No. of Equity Shares held in the Company</b>  | 18,69,582 Equity Shares  |
| <b>Experience in Specific Functional Area</b>  | Experience of around 2 decades in the Field on Battery Industry and Machinery Maintenance in the Company.  |
| <b>Directorship held in other Indian Companies (Excluding Directorship in Goldstar Power Limited)</b>                                  | NIL  |
| <b>Membership / Chairmanship of Committees public Limited Companies (Excluding Membership/ Chairmanship of Goldstar Power Limited)</b> | NIL  |
| <b>Relationship with other Directors, Managers and other Key Managerial Personnel of the Company.</b>                                  | As per section 2(77) of the Companies Act, 2013, Mr. Amrutlal Pansara, (DIN: 00300786) is relative of Directors i.e. Brother of Mulji Pansara (DIN: 00300722). |

By Order of the Board of Directors,  
For, **GOLDSTAR POWER LIMITED**

Date: August 30, 2019  
Place: Jamnagar

**Navneet Pansara**  
(Managing Director)  
(DIN: 00300843)

**“ANNEXURE TO NOTICE”**

**THE STATEMENT STATING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION REQUIRED AS PER THE REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETING**

**ITEM NO:3**

The Members of the Company at the 16<sup>TH</sup> Annual General Meeting ('AGM') held on September 30, 2014 approved the appointment of M/s. Doshi Maru & Associates, Chartered Accountants, (FRN: 0112187W), as the Auditors of the Company to hold office upto the conclusion of twentieth (20<sup>th</sup>) AGM. M/s, Doshi Maru & Associates will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

Based on the recommendation of the Audit Committee ('The Committee'), the Board of Directors of the Company ('The Board'), at its meeting held on August 30, 2019, have approved the appointment of M/s. Jain Chowdhary & Co., Chartered Accountants, (Firm Registration Number: 113267W), as the Statutory Auditors of the Company subject to approval at ensuring Annual General Meeting for a period of five years with effect from the conclusion of ensuring 20<sup>th</sup> AGM till the conclusion of 25<sup>th</sup> AGM at a remuneration of Rs. 2,00,000/- per annum plus applicable taxes towards audit as set out in the Resolution relating to their appointment.

M/s. Jain Chowdhary & Co., has been professional practice since 43 years. The firm is having specialization in various areas of Audits of large Public Sector Undertakings, National Banks, RBI etc., Accounting, Taxation, Corporate and Allied Law, Finance etc.; The firm holds a valid Peer Review Certificate issued by the Institute of Company Secretaries of India (ICAI).

The committee considered the various parameters to serve the company inter alia comprising of audit experiencing, market standing of the firm, clientele served, technical knowledge etc., and found M/s Jain Chowdhary & Co., to be reasonably suited to handle the scale, associated with the audit of the financial statements of the Company.

Further, M/s Jain Chowdhary & Co., have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

There is no material change in the fees payable to M/s Jain Chowdhary & Co., as compared to the fees paid to M/s. Doshi Maru & Associates.

None of the Directors nor Key Managerial Personnel of the Company, or their relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

Accordingly, the Board recommends this Resolution for your approval.



# “BOARD REPORT”

**GOLDSTAR POWER LIMITED**

**2018-2019**



# DIRECTORS' REPORT

To,  
The Members,  
**GOLDSTAR POWER LIMITED,**

Dear Members,

Your Directors are pleased to present their **20<sup>th</sup> Annual Report** on the business and operations of the company together with the Audited Financial Statements for the financial year ended on March 31, 2019.

## **FINANCIAL RESULTS:**

Your Company's performance for the year ended on 31<sup>st</sup> March, 2019, is summarized as under:

(Amount in Rs)

| Sr. No | PARTICULARS   | 2018-19                | 2017-18                |
|--------|---|------------------------|------------------------|
| 1.     | Revenue from Operation (Net)  | 36,36,52,264.00        | 43,23,73,728.00        |
| 2.     | Other Income  | 12,630,580.92          | 11,103,671.05          |
| 3.     | <b>TOTAL REVENUE (1+2)</b>  | <b>376,282,844.92</b>  | <b>443,477,399.05</b>  |
| 4.     | Cost of raw material consumed   | 277,896,114.52         | 34,03,85,936.15        |
| 5.     | Employees Benefits Expense  | 29,242,542.00          | 2,49,66,010.00         |
| 6.     | Changes in Inventories of Finished goods, work-in-progress and Stock-in-Trade | (6,604,835.99)         | (63,31,527.63)         |
| 7.     | Finance Cost  | 8,583,413.21           | 1,42,02,651.33         |
| 8.     | Depreciation & Amortization Exp.  | 15,726,093.94          | 1,30,95,665.00         |
| 9.     | Other Expenses  | 45,312,825.48          | 5,21,35,187.97         |
| 10.    | <b>TOTAL EXPENSE (4+9)</b>  | <b>37,01,56,153.16</b> | <b>43,84,33,343.82</b> |
| 11.    | <b>Profit/ (Loss) Before Tax</b>  | <b>61,26,691.76</b>    | <b>50,23,476.23</b>    |
| 12.    | Current Tax   | 30,65,000.00           | 15,90,572.92           |
| 13.    | Deferred Tax  | (51,20,000.00)         | 11,58,000.00           |
| 14.    | Less: MAT Credit  | (19,24,869.30)         | (6,14,902.45)          |
| 15.    | <b>PROFIT/ (LOSS) AFTER TAX (PAT)</b>   | <b>1,01,06,561.06</b>  | <b>28,89,805.76</b>    |

## **1. OPERATIONAL RESULTS AND STATE OF COMPANY AFFAIRS:**

The Highlights of Company's performance for the year ended on March 31, 2019:

- Total Revenue from Operations decreased from Rs. 43.23 Crores of previous F.Y. 2017-18 to Rs. 36.36 Crores of the reporting F.Y.
- Total Expenses has decreased from Rs. 43.84 Crores of previous F.Y. 2017-18 to Rs. 37.01 Crores of the reporting F.Y.
- Profit before exceptional & extra ordinary items has increased from Rs. 50,23,476/- of previous F.Y. 2017-18 to Rs. 61,26,692/- of the reporting F.Y.
- Net Profit increased from Rs. 28,89,806/- of previous F.Y. 2017-18 to Rs. 1,01,06,561/- of the reporting F.Y.
- Earnings per share (EPS) for the F.Y. 2018-19 is 0.94/- as compared to 0.31/- of F.Y. 2017-18.

Moreover, The Board assures that the management will leave no efforts untouched to increase the profitability of the company gradually and to maintain the consistency of attained results in the fourth coming years.

## **2. DECLARATION OF DIVIDEND:**

With a view to use the internal accruals for growth of the Company and to strengthen the financial position of the company, your directors do not recommend any dividend for the year under Report.

## **3. TRANSFER OF AMOUNT TO RESERVES:**

Pursuant to provision of section 134(1)(j) of the Companies Act, 2013, the company has transfer the Net Profit of Rs. 1,01,06,561/- amount to general reserves account of the company during the year under review.

The company has a closing balance of Rs. 8,56,01,879.03/- (Rupees Eight Crores Fifty-Six Lakhs One Thousand Eight Hundred Seventy-Nine Decimal Zero Three) as Reserves and Surplus as on 31.03.2019.

## **4. CHANGE IN NATURE OF BUSINESS:**

The Company is engaged in the business of manufacture, produce and assembles all types of batteries, including storage batteries, dry batteries, solar power batteries etc. During the year, Your Company has not changed its business or object and continues to be in the same line of business as per main object of the company.



**5. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT.**

There are no Material Changes and Commitments affecting the Financial Position of the Company between the end of Financial Year of the Company to which the Financial Statement relates and the date of this report.

**6. DEPOSITS:**

The Company has neither accepted nor renewed any deposits falling within the purview of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time, during the year under review and therefore details mentioned in Rule 8(5)(V) & (VI) of Companies (Accounts) Rules, 2014 relating to deposits, covered under Chapter V of the Act is not required to be given.

**7. SHARE CAPITAL:**

There is no change in the Share Capital of the Company during the Financial Year 2018-19.

**8. DETAILS OF SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANIES:**

As on March 31, 2019, the Company does not have any subsidiary or joint venture and associate company.

**9. LISTING OF SHARES:**

The Company's shares are listed on NSE Emerge SME platform of National Stock Exchange of India Limited with **ISIN INE405Y01013** & Symbol **GOLDSTAR**. The Company is regular in payment of Annual Listing Fees. The Company has paid Listing Fees upto the year 2019-20.

**10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**DIRECTORS LIABLE TO RETIRE BY ROTATION AND BE ELIGIBLE TO GET RE-APPOINTED:**

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM.

Pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013. **Mr. Amrutlal Pansara, (DIN: 00300786)** though appointed as Whole-Time Director on the board w.e.f 24<sup>th</sup> July, 2017 for a term of Three Years. He has been associated with the Company since the Incorporation of the Company,



is liable to get retired by rotation being eligible has offered himself for re-appointment at the ensuing 20<sup>th</sup> AGM of the Company. The Board recommends his re-appointment for consideration by the Members of the Company at the 20<sup>th</sup> Annual General Meeting. Accordingly, requisite resolution shall form part of the Notice convening the AGM.

- **DECLARATION BY INDEPENDENT DIRECTOR**

All the Independent Directors have confirmed to the Board that they meet the criteria of Independence as specified under Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations that they qualify to be Independent Directors pursuant to Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have confirmed that they meet the requirements of “Independent Director” as mentioned under Regulation 16 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Therefore, Board is duly composed as per the Companies Act, 2013 provisions and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. There is no change held in the composition of Board of Directors during the Financial Year 2018-19. The confirmations were placed before and noted by the Board

## **11. BOARD AND COMMITTEE MEETING:**

- ❖ **BOARD MEETING:**

The Board meets at regular intervals to discuss and take a view on the Company’s policies and strategy apart from other Board matters. The notice for Board Meetings is given well in advance to all the Directors.

The Board of Directors met 5 times during the financial year ended March 31, 2019 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The intervening gap between two board meetings was within the period prescribed under the Companies Act, 2013 and as per Secretarial Standard-1. The prescribed quorum was presented for all the Meetings and Directors of the Company actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time.

5 Board Meetings were held as under:

- ❖ **30.04.2018, 28.05.2018, 05.09.2018, 05.11.2018, 14.12.2018**

Attendance of Directors in the Board Meeting

| Sr. No | Name of Director                              | No. of Board Meeting |          |
|--------|---|----------------------|----------|
|        |   | Held                 | Attended |
| 1.     | Mr. Mulji M. Pansara (Chairman)               | 5                    | 5        |
| 2.     | Mr. Navneet M. Pansara (Managing Director)    | 5                    | 5        |
| 3.     | Mr. Amrutlal M. Pansara (Whole-Time Director) | 5                    | 5        |
| 4.     | Mr. Vishal M. Pansara (Whole-Time Director)   | 5                    | 5        |
| 5.     | Mrs. Dhruvi N. Pansara (Director & CFO)       | 5                    | 5        |
| 6.     | Mr. Jayant C. Virani (Independent Director)   | 5                    | 4        |
| 7.     | Mr. Chetan V. Khattar (Independent Director)  | 5                    | 4        |
| 8.     | Mr. Hemraj Patel (Independent Director)       | 5                    | 3        |

#### ❖ NUMBER OF COMMITTEE MEETING

The Audit Committee met 4 times during the Financial Year ended March 31, 2019. The Stakeholders Relationship Committee met 4 times during the Financial Year ended March 31, 2019. The Nomination and Remuneration Committee met 4 times during the Financial Year ended March 31, 2019. Members of the Committees discussed the matter placed and contributed their valuable inputs on the matters brought before the meetings.

Additionally, during the Financial Year ended March 31, 2019 the Independent Directors held a separate meeting **on September 5, 2018** in compliance with the requirements of Schedule IV of the Companies Act, 2013 and Regulations 25(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

## **12. COMMITTEES OF THE BOARD:**

The Company has three committees viz; Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee which has established as a part of better corporate governance practices and is in compliance with the requirements of the relevant provisions of applicable laws and statutes.

### **I. AUDIT COMMITTEE:**

The Audit Committees composition meets with the requirement of section 177 of the companies Act, 2013 and Clause 49 of Listing Agreement and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Members of the Audit Committee possesses financial / accounting expertise / exposure.

The Audit Committee comprised of 4 members as per Table here in below. The Company Secretary is the Secretary and Compliance Officer of the committee. The detail of the composition of the Audit Committee along with their meetings held/ attended is as follows:

| Sr. No | Name   | Designation | No. of Meetings held | No. of Meetings attended |
|--------|--|-------------|----------------------|--------------------------|
| 1.     | Mr. Jayant Virani<br>(Independent Director)  | Chairman    | 4                    | 4                        |
| 2.     | Mr. Chetan Khattar<br>(Independent Director) | Member      | 4                    | 3                        |
| 3.     | Mr. Hemraj Patel<br>(Independent Director)   | Member      | 4                    | 3                        |
| 4.     | Mrs. Dhruti Pansara<br>(Director & CFO)      | Member      | 4                    | 4                        |

During the year under review, meetings of Audit Committee were held on **May 28, 2018, September 05, 2018, November 05, 2018 and March 01, 2019.**

## II. COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committees composition meets with the requirement of section 178 of the companies Act, 2013 and Clause 49 of Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Members of the Nomination & Remuneration Policy possesses sound knowledge / expertise / exposure.

The Committee comprised of 4 members as per Table here in below. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of a composition of the Nomination & Remuneration Committee along with their meetings held/ attended is as follows: -

| Sr. No | Name   | Designation | No. of Meetings held | No. of Meetings attended |
|--------|--|-------------|----------------------|--------------------------|
| 1.     | Mr. Hemraj Patel<br>(Independent Director)   | Chairman    | 4                    | 3                        |
| 2.     | Mr. Chetan Khattar<br>(Independent Director) | Member      | 4                    | 3                        |
| 3.     | Mr. Jayant Virani<br>(Independent Director)  | Member      | 4                    | 4                        |
| 4.     | Mrs. Dhruti Pansara<br>(Director & CFO)      | Member      | 4                    | 4                        |

During the year under review, meetings of Nomination & Remuneration Committee were held on **May 28, 2018, September 05, 2018, November 05, 2018, March 01, 2019.** The Company has duly formulated the Nomination & Remuneration Policy which is also available at the Company Website <http://goldstarpower.com/wp-content/uploads/2018/05/Nomination-Remuneration-Policy.pdf>

### III. COMPOSITION OF STAKEHOLDERS & RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee meets with the requirement of the Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Stakeholders Relationship Committee is mainly responsible to review all grievances connected with the Company's transfer of securities and Redressal of shareholders / Investors / Security Holders Complaints.

The Committee comprised of 4 members as per Table here in below. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of a composition of the said Committee along with their meetings held/ attended is as follows: -

| Sr. No | Name   | Designation | No. of Meetings held | No. of Meetings attended |
|--------|--|-------------|----------------------|--------------------------|
| 1.     | Mr. Chetan Khattar<br>(Independent Director) | Chairman    | 4                    | 3                        |
| 2.     | Mr. Hemraj Patel<br>(Independent Director)   | Member      | 4                    | 3                        |
| 3.     | Mr. Jayant Virani<br>(Independent Director)  | Member      | 4                    | 4                        |
| 4.     | Mrs. Dhruvi Pansara<br>(Director & CFO)      | Member      | 4                    | 4                        |

During the year under review, meetings of Stakeholders Relationship Committee were held on **May 28, 2018, September 05, 2018, November 05, 2018, March 01, 2019.**

### **13. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and Shareholders Grievance committee, experience and expertise, performance of specific duties and obligations etc. were carried out. The Directors expressed their satisfaction with the evaluation process and outcome.

The performance of each of the non-independent directors (including Chairman) was also evaluated by the independent directors at the separate meeting held of the Independent Directors of the Company.

#### **14. CORPORATE SOCIAL RESPONSIBILITY:**

In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, every company with net worth of Rs. 500 Crores or more OR an annual turnover of Rs. 1000 Crores or more OR with a net profit of Rs. 5 Crores or more, during any of the three previous year i.e. (2015-16, 2016-17, 2017-18) is required to constitute a CSR Committee. Goldstar Power Limited does not fall in any of the above criteria during the year 2018-19. Therefore, it is not required mandatorily to carry out any CSR activities or constitute any Committees under provisions of Section 135 of the Act.

We also feel strongly about giving back to our community. We believe everybody deserves to be treated with dignity and respect, regardless of their personal circumstances, and offered the skills, knowledge and assistance they need to help themselves lead healthy and productive lives.

#### **15. VIGIL MECHANISM FOR THE DIRECTORS AND EMPLOYEES:**

Pursuant to Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established, in order to ensure that the activities of the company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty and integrity and ethical behavior.

The Company has established a vigil mechanism through which Directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all Directors, employees, business associates have direct access to the Chairman of the Audit committee, and also to a three-member direct touch team established for this purpose. The direct touch team comprises one senior woman member so that women employees of the Company feel free and secure while lodging their complaints under the policy.

The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment or victimization. The vigil mechanism policy has also been uploaded in the website of the company at <http://goldstarpower.com/wp-content/uploads/2018/05/Whistle-Blower-Policy.pdf>

#### **16. RISK MANAGEMENT:**

The Board of the Company has evaluated a risk management to monitor the risk management plan for the Company. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The company has been following the principle of risk minimization as it is the norm in every industry. The Board has adopted steps for framing, implementing and monitoring

the risk management plan for the company. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to risk management, in order to guide for decisions on risk related issues.

In today's Challenging and competitive environment, strategies for mitigating inherent risk in accomplishing the growth plans of the company are imperative. The Common risks inherent are: Regulations, Competition, business risk, technology obsolescence, long term investments and expansion of facilities. Business risk, inter alia, includes financial risk, political risk, legal risk etc., As a matter of policy, these risk are assessed and steps as appropriate are taken to mitigate the same.

## **17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The details of loans, guarantees or investment covered under the provisions of section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

## **18. AUDITORS:**

### **❖ STATUTORY AUDITORS:**

The Company's Auditor M/s Doshi Maru & Associates, Chartered Accountants, Jamnagar (ICAI Firm Registration No. 0112187W) were appointed as Statutory Auditors of the Company to hold office upto the conclusion of this Annual General Meeting. The term of Statutory Auditor's Appointment is expiring on conclusion of this 20<sup>th</sup> Annual General Meeting.

Accordingly, on the recommendation of the Audit Committee, the Board has proposed the appointment of **M/s. Jain Chowdhary & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration Number: 113267W)** as the New Statutory Auditors of the Company for a term of 5 years, i.e. from the conclusion of 20<sup>th</sup> Annual General Meeting i.e. for financial year 2019-20 to financial year 2023-24 (till AGM to be held in year 2024) subject to approval of members in an ensuring Annual General Meeting.

The Company has also received confirmation from M/s. M/s. Jain Chowdhary & Co., Chartered Accountants, Mumbai to the effect that they are eligible and not disqualified under section 141 of the Companies Act, 2013 and the Rules framed thereunder, for being appointed as the Auditors of the Company. As required under Regulation 33(1)(d) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditor's Report for the financial year ended March 31, 2019 forms part of this Annual Report and is attached to the Director's Report as "**ANNEXURE-3**" and same does not contain any qualification, reservation or adverse remark.



There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

❖ **SECRETARIAL AUDITORS:**

As required under provisions of section 204 of the Companies Act, 2013 and Rules framed thereunder, the Board has appointed the Secretarial Auditors of the Company, M/s. MJP & Associates, Practising Company Secretaries, for conducting the Secretarial Audit for the FY 2018-19.

Secretarial Audit Report in Form MR-3 issued by the Secretarial Auditor of the Company for the Financial Year ended on March 31, 2019 is attached to the Director's Report as "**ANNEXURE-4**".

Some noting by Secretarial Auditor under report for FY 2018-19 is as under:

- (a) The Company had purchased a Car against vehicle finance facility from Bank, during previous year 2017-18. However, as on date of this Report, the Company had not filed particulars of creation of charge with Registrar in connection with this vehicle finance.

**Reply by Board :** The Board would ensure compliance of all provisions of the Act in future.

- (b) The Company had filed Form for registration of Resolution for appointment of Internal Auditors on 16<sup>th</sup> May 2018, which is after period of filing prescribed under the Act.

**Reply by Board:** Board took the note of the same and shall take necessary steps in future for timely compliance of the same.

- (c) As on 31<sup>st</sup> March 2019, filing of Form 22A (Active KYC/ Company KYC), as prescribed under the Company Incorporation Rules, 2014 is pending. Further, Form DIR 3 KYC of Mr. Jayant Virani, Independent Director was filled with additional Fees.

**Reply by Board:** DIR-3 KYC was processed for all directors except Jayantbhai Virani, and said KYC was filed on 15.06.2019 and accordingly Form 22A (Active KYC) was filed on 15.06.2019 i.e., the last for filing Form INC 22A with normal fees.

- (d) The Company has made delay in payment of provident fund and filing of returns thereof, at some instances.

**Reply by Board:** Board took the note of the same and shall take necessary steps in future for timely compliance of the same.

- (e) As per informations & documents, provided to us, filing of shipping documents of export to the Bank for generating e-BRC is pending, by the Company, and to that extent, the provisions of the Foreign Exchange Management Act, 1999 are not complied with

**Reply by Board:** Board took the note of the same and shall take necessary steps in future for timely compliance of the same.

❖ **INTERNAL AUDIT:**

In accordance with the provisions of Section 138 of the Companies Act, 2013 and Rules framed thereunder, your Company has appointed M/s. Dholakia & Associates, Chartered Accountants, Jamnagar, (ICAI Firm Registration Number 130030W) as the Internal Auditors of the Company for the Financial Year 2018-19 and takes their suggestions and recommendations to improve and strengthen the internal control systems.

❖ **COST AUDIT:**

The provisions of Section 148(1) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable rules and provisions is not applicable on the Company. Therefore, no cost records have been maintained by the company.

**19. COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company has complied with all the applicable Secretarial Standards in the Financial Year 2018-19 as issued by the Institute of Company Secretaries of India (ICSI).

**20. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

At Goldstar Power Limited, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, sexual orientation or age.

At Goldstar Power Limited, every individual is expected to treat his/her colleagues with respect and dignity. This is enshrined in values and in the Code of Ethics & Conduct of Goldstar Power Limited. The Direct Touch (Whistle-Blower & Protection Policy) Policy provides a platform to all employees for reporting unethical business practices at workplace without the fear of reprisal and help in eliminating any kind of misconduct in the system. The Policy also includes misconduct with respect to discrimination or sexual harassment.

The Company also has in place "Prevention of Sexual Harassment Policy". This Anti-Sexual Harassment Policy of the Company is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

An Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment. The following is a summary of sexual harassment complaints received and disposed off during the year:

- No. of complaints received: Nil
- No. of complaints disposed off: NA

## **21. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Company is well equipped with internal financial controls. The Company has continuous monitoring mechanism which enables the organization to maintain the same standards of the control systems and help them in managing defaults, if any, on timely basis because of strong reporting mechanisms followed by the Company.

## **22. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

In Terms of the Regulation 34 read with Schedule V of the SEBI (LODR) Regulations 2015, Management Discussion and Analysis report has been separately furnished in the Annual Report and forms part of the Annual Report as “**ANNEXURE-7**”.

## **23. EXTRACT OF THE ANNUAL REPORT:**

Extract of Annual Return in Form MGT-9 containing details as on Financial Year ended 31<sup>st</sup> March, 2019 [as required under Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014] the extract of Annual Return for the Financial Year 2018-19 is enclosed with this Board Report as “**ANNEXURE-1**” to this report.

The Company is having website at [www.goldstarpower.com](http://www.goldstarpower.com) and annual return of the company has been published on such website. Link of the same is given below:

<http://goldstarpower.com/annual-report/>

## **24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED IN SUB SECTION 1 OF SECTION 188 OF THE COMPANIES ACT, 2013:**

During the year under review, contracts or arrangements entered into with the related party, as defined under section 2(76) of the Companies Act, 2013 were in the ordinary course of business on arm's length basis. Details of the transactions pursuant to compliance of section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 are annexed herewith as per “**ANNEXURE-2**”

During the year the Company has not entered into any materially significant related party transactions which may have potential conflict with the interest of the Company at large. Suitable disclosures as required are provided in AS-18 which is forming the part of the notes to the Financial Statement.

In line with the requirements of the Companies Act, 2013 and SEBI Listing Regulation 2015, the Company has formulated a Policy on Related Party Transactions which is also available on Company's Website at <http://goldstarpower.com/wp-content/uploads/2018/05/Related-Party-Transactions-Policy.pdf>

## **25. PARTICULARS OF EMPLOYEES AND REMUNERATION:**

The Company has no employee in the Company drawing remuneration of more than Rs. 8,50,000/- per month or 1,20,00,000/- per annum, and hence the Company is not required to give information under Sub rule 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

The ratio of remuneration of each whole-time director and key managerial personnel (KMP) to the median of employee's remuneration of the employee of the Company as per section 197(12) read with Rule 5 (1) (i) of the Companies (Appointment and Remuneration) Rules 2014 for the financial year 2018-19 forms part of this Board report as "**ANNEXURE-5**".

Additionally, the following details form part of Annexure-5 to the Boards Report:

- Remuneration to Whole Time Directors.
- Remuneration to Non-executive/ Independent Directors.
- Percentage increase in the median remuneration of employees in the financial year.
- Number of permanent employees on roll of the Company.
- The company did not allow any sweat equity shares & does not have employees stock option scheme.

## **26. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

The Statutory Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder during the current Financial Year.

## **27. BOARD POLICIES AND CODE OF CONDUCTS:**

### **A. Policy on Directors Appointment and Remuneration**

The policy of the Company on director's appointment and remuneration, including the criteria for determining the qualifications, positive attributes, independence of a director and other matters, as required under sub section (3) of section 178 of the Companies Act, 2013 have been regulated by the nomination and remuneration committee and the policy framed by the company is annexed with the Board Report as "**ANNEXURE-6**" and available on our website, at [www.goldstarpower.com](http://www.goldstarpower.com)

There has been no change in the policy since last fiscal. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company with the Nomination and Remuneration Committee of the Company.

## B. Prevention of Insider Trading:

The Board of Directors has adopted the Insider Trading Policy in accordance with the Requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company as well as consequences of violation. The Policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company's Shares.

## C. Other Board Policies and Conducts:

Following Board Policies have been approved and adopted by the Board, the details of which are available on the website of the company at [www.goldstarpower.com](http://www.goldstarpower.com) and for the convenience given herein below:

| Sr. No | Name of policy                                    | Web link  |
|--------|---|---|
| 1.     | Boards Diversity Policy                           | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Board-Diversity-Policy.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Board-Diversity-Policy.pdf</a>   |
| 2.     | Dividend Distribution Policy                      | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Dividend-Distribution-Policy.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Dividend-Distribution-Policy.pdf</a>                                   |
| 3.     | Related Party Transaction Policy                  | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Related-Party-Transactions-Policy.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Related-Party-Transactions-Policy.pdf</a>                         |
| 4.     | Material Subsidiary                               | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Material-Subsidiaries.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Material-Subsidiaries.pdf</a>   |
| 5.     | Materiality of Events                             | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Materiality-of-Events.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Materiality-of-Events.pdf</a>   |
| 6.     | Preservation of Documents Policy                  | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Preservation-of-Documents.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Preservation-of-Documents.pdf</a>   |
| 7.     | Evaluation Policy                                 | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Evaluation-Policy.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Evaluation-Policy.pdf</a>   |
| 8.     | Whistle Blower Policy                             | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Whistle-Blower-Policy.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Whistle-Blower-Policy.pdf</a>   |
| 9.     | Prevention of Sexual Harassment at Workplace      | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Prevention-of-Sexual-Harrasement-at-Workplace.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Prevention-of-Sexual-Harrasement-at-Workplace.pdf</a> |
| 10.    | Web Archival Policy                               | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Web-Archival-Policy.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Web-Archival-Policy.pdf</a>   |
| 11.    | Code of Conduct for prevention of Insider Trading | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Insider-Trading-Policy.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Insider-Trading-Policy.pdf</a>   |

|     |  |   |
|-----|--|---|
| 12. | Terms & Conditions for Appointment of Independent Directors. | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Appointment-Independent-Director.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Appointment-Independent-Director.pdf</a>                             |
| 13. | Payment to Non-Executive Directors                           | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Payment-Non-Executive-Directors.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Payment-Non-Executive-Directors.pdf</a>                               |
| 14. | Familiarization Programme for Independent Director           | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Familiarization-Programme-Independent-Director.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Familiarization-Programme-Independent-Director.pdf</a> |
| 15. | Nomination & Remuneration Policy                             | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Nomination-Remuneration-Policy.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Nomination-Remuneration-Policy.pdf</a>                                 |
| 16. | Code of Conduct for Directors and KMP's                      | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Code-Conduct-Directors-KMP.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Code-Conduct-Directors-KMP.pdf</a>   |
| 17. | Green Initiative with regard to Corporate Governance         | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Green-Initiative-Corporate-Governance.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Green-Initiative-Corporate-Governance.pdf</a>                   |
| 18. | Insider Trading Policy with Amendments_20.03.2019            | <a href="http://goldstarpower.com/wp-content/uploads/2018/05/Insider-Trading-Policy.pdf">http://goldstarpower.com/wp-content/uploads/2018/05/Insider-Trading-Policy.pdf</a>   |

## **28. SUBSIDIARIES ASSOCIATES AND JOINT VENTURES:**

As at 31<sup>st</sup> March, 2019, the Company doesn't have any Subsidiary, Joint Venture or Associate Companies.

## **29. CORPORATE GOVERNANCE:**

***“Corporate Governance Practices Are Reflection of Value Systems  
And which Invariably Includes our Culture, Policies and Relationships with our  
Shareholders”***

Integrity and transparency are key factors to our governance practices to ensure that we achieve and will retain the trust of our stakeholders at all times. Corporate Governance is about maximizing Shareholders value legally, ethically and sustainably. At Goldstar, our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in the international corporate governance. We also endeavor to enhance long term shareholder value and respect minority rights in all our business decisions.

As our company has been listed on SME EMERGE Platform of National Stock Exchange Limited (NSE), by virtue of regulation 15 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the corporate governance provisions as specified in regulation 17 to 27 and clause B to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V relating to Corporate Governance Report, shall not apply to company listed on SME Exchange.



Hence Corporate Governance Report does not form a part of this Board Report, though we are committed for the best corporate governance practices.

**30. DISCLOSURE UNDER SECTION 164(2) OF THE COMPANIES ACT, 2013 IN RESPECT OF NON DISQUALIFICATION OF DIRECTORS:**

The Company has received the disclosures in Form DIR-8 from its Directors being appointed or reappointed and has noted that none of the Directors are disqualified under section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Certificate for the same from the Practising Company Secretary is annexed as “**ANNEXURE-9**”.

**31. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

There were no significant and material orders issued against the Company by any regulating authority or court or tribunal which could affect the going concern status and Company's operations in future.

**32. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:**

The information pertaining to Conservation of Energy, Technology Absorption, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 as follows:

**A. Conservation of Energy: -**

**1. The steps taken or impact on conservation of energy:**

The Company applies strict control system to monitor day by day power consumption in an effort to save energy. The Company ensures optimal use of energy with minimum extent of wastage as far as possible.

**2. The steps taken by the Company for utilizing alternate source of energy:**

The Company has not taken any step for utilizing alternate source of energy.

**3. Capital Investment on energy conservation equipment:**

During the year under review, the Company has not made any capital investment on energy conservation equipment.

**B. Technology Absorption:**

**1. The efforts made towards technology absorption:**

The Company has not made any special effort towards technology absorption. However, company always prepared for update its factory for new technology.

**2. The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable**

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable.
4. The details of technology imported: Not Applicable
5. The year of import: Not Applicable
6. Whether the technology been fully absorbed: Not Applicable
7. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable
8. The expenditure on Research and Development: Not Applicable

### **33. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Further, during the year under review, the Company has reported Foreign Exchange Earnings and Expenses as under:

| <b>PARTICULARS</b>        | <b>2018-19</b> | <b>2017-18</b> |
|---------------------------|----------------|----------------|
| Foreign Exchange Earnings | 7,05,86,124.00 | 6,25,79,846.00 |
| Foreign Exchange Outgo    | 1,04,74,456.00 | 1,47,50,527.00 |

### **34. DIRECTORS RESPONSIBILITY STATEMENT:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the Audited Financial Statements of the Company for the year ended March 31, 2019, the Board of Directors hereby confirms that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
2. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as on March 31, 2019 and of the profit and loss of the company for that year;
3. The directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The directors had prepared the annual accounts of the company on a going concern basis; and;

5. Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively;
6. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

**35. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

During the year under review, the provision of section 125(2) of the Companies Act, 2013 does not apply as the company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) established by Central Government of India.

**36. CREDIT RATINGS:**

Your Company being an SME Listed Company does not require to obtain credit rating for its securities. Though, Goldstar has received SMERA MSE 2 from (Small and Medium Enterprise Ratings) on August 10, 2018 which is maintained till date. The rating indicates stable and positive outlook of the Company. Rating shows High Credit Worthiness in relation to other MSEs.

**37. REGISTRAR AND SHARE TRANSFER AGENT INFORMATION:**

**M/S. LINK INTIME INDIA PRIVATE LIMITED**

C-101, 247 Park, L.B.S Marg,  
Vikhroli (West), Mumbai – 400 083,  
Telephone Number: +91 22 4918 6000  
Email: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**38. INDUSTRIAL RELATIONS:**

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

### **39. ACKNOWLEDGEMENT:**

Your Directors would like to express their appreciation for assistance and co-operation received from the Shareholders, State Governments, Local authorities and Company's Bankers for the assistance co-operation and encouragement they extended to the Company.

Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuing and excellent all around operational performance.

**Date : August 30, 2019**

**Place : Jamnagar**

By Order of the Board of Directors  
**For, GOLDSTAR POWER LIMITED,**

\_\_\_\_\_  
**Mulji M. Pansara**  
**(Chairman)**  
**[DIN: 00300722]**

\_\_\_\_\_  
**Navneet M. Pansara**  
**(Managing Director)**  
**[DIN: 00300843]**



## “Annexure-1”

### TO DIRECTORS REPORT OF GOLDSTAR POWER LIMITED

**Form No: MGT-9**

#### Extract of Annual Return

**As on Financial Year ended on March 31, 2019**

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014)

**(I) REGISTRATION AND OTHER DETAILS:**

|       |  |   |
|-------|--|---|
| (i)   | CIN  | L36999GJ1999PLC036274   |
| (ii)  | Registration date  | 12 <sup>th</sup> July, 1999   |
| (iii) | Name of the Company  | Goldstar Power Limited  |
| (iv)  | Category   | Company Limited by shares   |
|       | Sub-category of the Company  | Indian Non-Government Company   |
| (v)   | Address of the Registered Office and Contact Details                     | Goldstar Power Limited<br>Behind Ravi Patrol pump<br>Highway Rd, AT & Post,<br>Hapa, District- Jamnagar-361120<br><br><u>Contact Details:</u><br>Phone: 0288-2571120/21,<br>Email : <a href="mailto:cs@goldstarpower.com">cs@goldstarpower.com</a><br>Website: <a href="http://www.goldstarpower.com">www.goldstarpower.com</a> |
| (vi)  | Whether Listed Company?<br>Yes / No                                      | Yes   |
| (vii) | Name, address and contact details of Registrar and Share Transfer Agent. | Link Intime India Private Limited<br>C-101, 247 Park, L.B.S Marg,<br>Vikhroli (West), Mumbai- 400 083,<br>Maharashtra<br>Phone: 022 - 4918 6200<br>Email : <a href="mailto:ipo@linkintime.co.in">ipo@linkintime.co.in</a><br>Website : <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>                           |

**(II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

| Sr. No. | Name & Description of main products/services  | NIC Code of the Product /service | % to total turnover of the company |
|---------|---|----------------------------------|------------------------------------|
| 1       | Company is engaged in the business of manufacture, produce & assemble all types of batteries, including storage batteries, dry batteries, solar power batteries or other. | 3140                             | 100%                               |

**(III) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ and Associate | % of shares held | Applicable Section |
|---------|---------------------------------|---------|------------------------------------|------------------|--------------------|
| 1       | NONE                            |         |                                    |                  |                    |
| 2       |                                 |         |                                    |                  |                    |



**(IV) SHAREHOLDING PATTERN: (Equity Share Capital Break up as % to total Equity)**

**(i) Category - wise shareholding:**

| Sr. No.   | Category of Shareholders      | No of Shares held at the beginning of the year 01.04.2018 |            |                  |                   | No of Shares held at the end of the year 31.03.2019 |            |                  |                   | % Change during the year |
|---|-------------------------------|---|------------|------------------|-------------------|---|------------|------------------|-------------------|--------------------------|
|   |                               | Demat   | Physical   | Total            | % of total shares | Demat   | Physical   | Total            | % of total shares |                          |
| <b>A</b>  | <b>PROMOTERS</b>              |   |            |                  |                   |   |            |                  |                   |                          |
| (1)   | Indian                        | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (a)   | Individual/HUF                | 78,00,000   | ---        | 78,00,000        | 72.91%            | 78,00,000   | ---        | 78,00,000        | 72.91%            | NO CHANGE                |
| (b)   | Central Govt.                 | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (c)   | State Govt.(s)                | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (d)   | Bodies Corp.                  | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (e)   | Banks/FIs                     | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (f)   | Any Other                     | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| <b>Sub - Total (A) (1)</b>                                    |                               | <b>78,00,000</b>  | <b>---</b> | <b>78,00,000</b> | <b>72.91%</b>     | <b>78,00,000</b>                                    | <b>---</b> | <b>78,00,000</b> | <b>72.91%</b>     | <b>NO CHANGE</b>         |
| (2)   | Foreign                       | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (a)   | NRI - Individuals             | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (b)   | Other -Individuals            | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (c)   | Bodies Corp.                  | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (d)   | Banks/FI                      | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (e)   | Any Other                     | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| <b>Sub - Total (A) (2)</b>                                    |                               | <b>---</b>  | <b>---</b> | <b>---</b>       | <b>---</b>        | <b>---</b>  | <b>---</b> | <b>---</b>       | <b>---</b>        | <b>---</b>               |
| <b>TOTAL Shareholding of Promoter (A) = (A) (1) + (A) (2)</b> |                               | <b>78,00,000</b>  | <b>---</b> | <b>78,00,000</b> | <b>72.91%</b>     | <b>78,00,000</b>                                    | <b>---</b> | <b>78,00,000</b> | <b>72.91%</b>     | <b>NO CHANGE</b>         |
| <b>B</b>  | <b>PUBLIC SHAREHOLDING</b>    |   |            |                  |                   |   |            |                  |                   |                          |
| 1   | Institutions                  |   |            |                  |                   |   |            |                  |                   |                          |
| (a)   | Mutual Funds                  | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (b)   | Banks/FI                      | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (c)   | Central Govt.                 | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (d)   | State Govt.                   | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (e)   | Venture Capital Funds         | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (f)   | Insurance Companies           | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (g)   | FIIIs                         | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (h)   | Foreign Venture Capital Funds | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (i)   | Others (Specify)              | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (j)   | Sub - Total (B)               |   |            |                  |                   |   |            |                  |                   |                          |
| 2   | Non-Institutions              |   |            |                  |                   |   |            |                  |                   |                          |
| (a)   | Bodies Corporate              | 1,20,000  | ---        | 1,20,000         | 1.12%             | 3,42,000  | ---        | 3,42,000         | 3.20%             | 2.08%                    |
| (i)   | Indian                        | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |
| (ii)  | Overseas                      | ---   | ---        | ---              | ---               | ---   | ---        | ---              | ---               | ---                      |

Continue from previous page....

| Sr. No.            | Category of Shareholders   | No of Shares held at the beginning of the year 01.04.2018 |            |                    |                   | No of Shares held at the end of the year 31.03.2019 |            |                    |                   | % Change during the year |
|--------------------|--|---|------------|--------------------|-------------------|---|------------|--------------------|-------------------|--------------------------|
|                    |  | Demat   | Physical   | Total              | % of total shares | Demat   | Physical   | Total              | % of total shares |                          |
| (b)                | Individuals  |   |            |                    |                   |   |            |                    |                   |                          |
| (i)                | Individual shareholders holding nominal share capital up to Rs.2 Lakh          | 7,26,000  | ---        | 7,26,000           | 6.79%             | 8,10,000  | ---        | 8,10,000           | 7.57%             | 0.78%                    |
| (ii)               | Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh. | 13,86,000   | ---        | 13,86,000          | 12.96%            | 11,10,000   | ---        | 11,10,000          | 10.38%            | (2.58%)                  |
| (c)                | Others (specify)   | ---   | ---        | ---                | ---               | ---   | ---        | ---                | ---               | ---                      |
| (i)                | Hindu Undivided Family   | 6,06,000  | ---        | 6,06,000           | 5.66%             | 6,18,000  | ---        | 6,18,000           | 5.77%             | 0.11%                    |
| (ii)               | Non-Resident Indian (NRI)  | 12,000  | ---        | 12,000             | 0.11%             | 6000  | ---        | 6000               | 0.06              | (0.05%)                  |
| (iii)              | Clearing Member  | 48,000  | ---        | 48,000             | 0.45%             | 12,000  | ---        | 12,000             | 0.11%             | (0.34%)                  |
|                    | Sub-total(B) (2)   | ---   | ---        | ---                | ---               | ---   | ---        | ---                | ---               | ---                      |
|                    | <b>Total Public shareholding (B)=B(1)+B(2)</b>                                 | <b>28,98,000</b>  | <b>---</b> | <b>28,98,000</b>   | <b>27.09%</b>     | <b>28,98,000</b>                                    | <b>---</b> | <b>28,98,000</b>   | <b>27.09%</b>     | <b>---</b>               |
| C                  | Shares held by Custodian for ADRs and GDRs.                                    | ---   | ---        | ---                | ---               | ---   | ---        | ---                | ---               | ---                      |
| <b>GRAND TOTAL</b> |  | <b>1,06,98,000</b>  | <b>---</b> | <b>1,06,98,000</b> | <b>100%</b>       | <b>1,06,98,000</b>                                  | <b>---</b> | <b>1,06,98,000</b> | <b>100%</b>       |                          |

P. T. O.

**(ii) Shareholding of Promoters:**

| Sr. No.     | Shareholder's name        | Shareholding at the beginning of the year 01.04.2018 |                                  |   | Shareholding at the end of the year 31.03.2019 |                                  |   | % Change |
|-------------|---------------------------|--|----------------------------------|---|--|----------------------------------|---|----------|
|             |                           | No. of Shares  | % of total shares of the Company | % of shares pledged /encumbered to total shares | No. of Shares                                  | % of total shares of the Company | % of shares pledged /encumbered to total shares |          |
| 1           | Muljibhai M. Pansara      | 27,72,942  | 25.92%                           | ---   | 27,72,942                                      | 25.92%                           | ---   | ---      |
| 2           | Amratlal M. Pansara       | 18,69,582  | 17.48%                           | ---   | 18,69,582                                      | 17.48%                           | ---   | ---      |
| 3           | Vishal M. Pansara         | 6,21,450   | 5.81%                            | ---   | 6,21,450                                       | 5.81%                            | ---   | ---      |
| 4           | Leelaben M. Pansara       | 5,36,616   | 5.02%                            | ---   | 5,36,616                                       | 5.02%                            | ---   | ---      |
| 5           | Geetaben A. Pansara       | 4,56,000   | 4.26%                            | ---   | 4,56,000                                       | 4.26%                            | ---   | ---      |
| 6           | Navneet M. Pansara        | 4,17,360   | 3.90%                            | ---   | 4,17,360                                       | 3.90%                            | ---   | ---      |
| 7           | Mulji M. Pansara (HUF)    | 3,78,000   | 3.53%                            | ---   | 3,78,000                                       | 3.53%                            | ---   | ---      |
| 8           | Amrutlal M. Pansara (HUF) | 3,00,000   | 2.80%                            | ---   | 3,00,000                                       | 2.80%                            | ---   | ---      |
| 9           | Smt. Dhruiti N. Pansara   | 2,85,450   | 2.67%                            | ---   | 2,85,450                                       | 2.67%                            | ---   | ---      |
| 10          | Smt. Manshi V. Pansara    | 81,300   | 0.76%                            | ---   | 81,300   | 0.76%                            | ---   | ---      |
| 11          | Shri Shivam A. Pansara    | 81,300   | 0.76%                            | ---   | 81,300   | 0.76%                            | ---   | ---      |
| GRAND TOTAL |                           | 78,00,000  | 72.91%                           | ---   | 78,00,000                                      | 72.91%                           | ---   | ---      |

(iii) **Change in Promoter's Shareholding:**

(There is no change in shareholding of promoters as mentioned in Clause IV (ii))

| Sr. No | Particulars               | Shareholding at the beginning of the year 01.04.2018 |                              |      | Increasing<br>Decreasing<br>in Share holding | Reason    | Cumulative Shareholding during the year 31.03.2019 |                                  |
|--------|---------------------------|--|------------------------------|------|--|-----------|--|----------------------------------|
|        |                           | No. of Shares  | % of total shares of Company | Date |  |           | No. of Shares                                      | % of total shares of the Company |
| 1      | Muljibhai M. Pansara      | 27,72,942  | 25.92%                       | ---  | ---  | No Change | 27,72,942  | 25.92%                           |
| 2      | Amratlal M. Pansara       | 18,69,582  | 17.48%                       | ---  | ---  | No Change | 18,69,582  | 17.48%                           |
| 3      | Vishal M. Pansara         | 6,21,450   | 5.81%                        | ---  | ---  | No Change | 6,21,450   | 5.81%                            |
| 4      | Leelaben M. Pansara       | 5,36,616   | 5.02%                        | ---  | ---  | No Change | 5,36,616   | 5.02%                            |
| 5      | Geetaben A. Pansara       | 4,56,000   | 4.26%                        | ---  | ---  | No Change | 4,56,000   | 4.26%                            |
| 6      | Navneet M. Pansara        | 4,17,360   | 3.90%                        | ---  | ---  | No Change | 4,17,360   | 3.90%                            |
| 7      | Mulji M. Pansara (HUF)    | 3,78,000   | 3.53%                        | ---  | ---  | No Change | 3,78,000   | 3.53%                            |
| 8      | Amrutlal M. Pansara (HUF) | 3,00,000   | 2.80%                        | ---  | ---  | No Change | 3,00,000   | 2.80%                            |
| 9      | Smt. Dhruti N. Pansara    | 2,85,450   | 2.67%                        | ---  | ---  | No Change | 2,85,450   | 2.67%                            |
| 10     | Smt. Manshi V. Pansara    | 81,300   | 0.76%                        | ---  | ---  | No Change | 81,300   | 0.76%                            |
| 11     | Shri Shivam A. Pansara    | 81,300   | 0.76%                        | ---  | ---  | No Change | 81,300   | 0.76%                            |



**(iv) Shareholding Pattern of top ten shareholders:**  
**(Other than Directors, Promoters & Holders of GDRs & ADRs):**

| Sr. No | Particulars                       | Shareholding at the beginning of the year 01.04.2018 |                              |      | Increasing<br>Decreasing<br>in Share holding | Reason | Cumulative Shareholding during the year 31.03.2019 |                                  |
|--------|-----------------------------------|--|------------------------------|------|--|--------|--|----------------------------------|
|        |                                   | No. of Shares  | % of total shares of Company | Date |  |        | No. of Shares                                      | % of total shares of the Company |
| 1.     | KETANBHAI ARVINDRAY SHAH          | 1,62,000   | 1.5143                       | ---  | Decrease                                     | ---    | 72,000   | 0.67%                            |
| 2      | RAJENDRA NAVALCHAND SHAH          | 1,56,000   | 1.4582                       | ---  | No Change                                    | ---    | 1,56,000   | 1.4582                           |
| 3      | HITESH HIMATLAL LAKHANI           | 1,56,000   | 1.4582                       | ---  | No Change                                    | ---    | 1,56,000   | 1.4582                           |
| 4      | HIMATLAL JETHALAL LAKHANI HUF     | 1,56,000   | 1.4582                       | ---  | No Change                                    | ---    | 1,56,000   | 1.4582                           |
| 5      | POONAMCHAND SHAMJI SHETH          | 90,000   | 0.8413                       | ---  | Decrease                                     | ---    | 0  | 0                                |
| 6      | HEENABEN KETAN SHAH               | 90,000   | 0.8413                       | ---  | Decrease                                     | ---    | 0  | 0                                |
| 7      | PARESHKUMAR BHAGWANJIBHAI VEKARIA | 90,000   | 0.8413                       | ---  | No Change                                    | ---    | 90,000   | 0.8413                           |
| 8      | RAJESHKUMAR BHAGWANJIBHAI VEKARIA | 90,000   | 0.8413                       | ---  | No Change                                    | ---    | 90,000   | 0.8413                           |
| 9      | BIPINKUMAR BHAGWANJIBHAI VEKARIA  | 84,000   | 0.7852                       | ---  | No Change                                    | ---    | 84,000   | 0.7852                           |
| 10     | BHAGWANJIBHAI UKABHAI VEKARIA     | 84,000   | 0.7852                       | ---  | No Change                                    | ---    | 84,000   | 0.7852                           |

**(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

| Sr. No.   | Name   | Shareholding at the beginning of the year i.e. 01/04/2018 |                              | Shareholding at the end of the year i.e. 31/03/2019 |                                  |
|-----------|--|---|------------------------------|---|----------------------------------|
|           |  | No. of shares   | % of total shares of company | No. of shares                                       | % of total shares of the company |
| <b>A.</b> | <b>Director</b>                                  |   |                              |   |                                  |
| 1         | Mulji Mohanbhai Pansara (Chairman)               | 4,62,157  | 35.55%                       | 27,72,942   | 25.92%                           |
| 2         | Amratlal Mohanbhai Pansara (Whole Time Director) | 3,11,597  | 23.97%                       | 18,69,582   | 17.48%                           |
| 3         | Navneet Muljibhai Pansara (Managing Director)    | 69,560  | 5.35%                        | 4,17,360  | 3.90%                            |
| 4         | Vishal Muljibhai Pansara (Whole Time Director)   | 1,03,575  | 7.97%                        | 6,21,450  | 5.81%                            |
| 5         | Dhruvi Navneet Pansara (Director & CFO)          | 47,575  | 3.66%                        | 2,85,450  | 2.67%                            |

**(V) INDEBTEDNESS:**

Indebtedness of the Company interest outstanding / accrued but not due for payment:

| Particulars  | Secured Loans<br>Excluding<br>Deposited | Unsecured Loans    | Deposits | Total<br>Indebtedness |
|--|---|--------------------|----------|-----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |   |                    |          |                       |
| (i)Principal Amount  | 7,06,51,293                             | 85,93,050          | 0        | 7,92,44,343           |
| (ii)Interest due but not paid                              | 0                                       | 0                  | 0        | 0                     |
| (iii)Interest accrued but not due                          | 0                                       | 0                  | 0        | 0                     |
| <b>Total (i+ii+iii)</b>                                    | <b>7,06,51,293</b>                      | <b>85,93,050</b>   | <b>0</b> | <b>7,92,44,343</b>    |
| <b>Change in Indebtedness During the financial year</b>    |   |                    |          |                       |
| • Addition   | 74,98,216                               | 2,50,33,282        | 0        | 3,25,31,498           |
| • Reduction  | (1,19,86,157)                           | (2,10,63,643)      | 0        | (3,30,49,800)         |
| <b>Net Change</b>  | <b>(44,87,941)</b>                      | <b>39,69,639</b>   | <b>0</b> | <b>(5,18,302)</b>     |
| <b>Indebtedness at the end of the financial year</b>       |   |                    |          |                       |
| (i)Principal Amount  | 6,61,63,352                             | 1,25,62,689        | 0        | 7,87,26,041           |
| (ii)Interest due but not paid                              | 0                                       | 0                  | 0        | 0                     |
| (iii)Interest accrued but not due                          | 0                                       | 0                  | 0        | 0                     |
| <b>Total (i+ii+iii)</b>                                    | <b>6,61,63,352</b>                      | <b>1,25,62,689</b> | <b>0</b> | <b>7,87,26,041</b>    |



**(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| Sr. No           | Particulars of Remuneration   | Mr. Mulji Pansara (Chairman) | Mr. Navneet Pansara (Managing Director) | Mr. Amrutlal Pansara (Whole Time Director) | Mr. Vishal Pansara (Whole Time Director) | Total Amount     |
|------------------|---|------------------------------|---|--|--|------------------|
| 1.               | <b>Gross Salary:</b><br>(a) Salary as per provision contained in section 17(1) of the Income Tax Act, 1961<br>(b) Value of perquisites under section 17(2) Income-tax Act, 1961<br>© Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 21,00,000                    | 18,00,000                               | 18,00,000                                  | 9,00,000                                 | 66,00,000        |
| 2.               | Stock option  |                              | ---                                     |  |  |                  |
| 3.               | Sweat equity  |                              | ---                                     |  |  |                  |
| 4.               | Commission:<br>- As % of profit<br>- Other, specify...  | ---                          |   |  | ---                                      |                  |
| 5.               | Others, please specify  |                              | ---                                     |  |  |                  |
| <b>Total (A)</b> |   | <b>21,00,000</b>             | <b>18,00,000</b>                        | <b>18,00,000</b>                           | <b>9,00,000</b>                          | <b>66,00,000</b> |

**B. Remuneration to other Directors:**

| Sr. No | Particulars of Remuneration  | Mr. Jayant Virani | Mr. Chetan Khattar | Mr. Hemraj Patel | Total Amount |
|--------|--|-------------------|--------------------|------------------|--------------|
| 1      | <b>Independent Director</b><br>Fees for attending Board/ Committee Meeting<br>Commission<br>Other, please specify<br>TOTAL (B) (1)           | ---               | ---                | ---              | ---          |
| 2      | <b>Other Non - Executive Director</b><br>Fees for attending Board/ committee meeting<br>Commission<br>Other, please specify<br>TOTAL (B) (2) |                   | ---                | ---              | ---          |
|        | <b>TOTAL (B) (2)</b>   | ---               | ---                | ---              | ---          |
|        | <b>Total (B) = (1+2)</b>   | ---               | ---                | ---              | ---          |
|        | <b>Total Managerial Remuneration</b>   | ---               | ---                | ---              | ---          |

**C. Remuneration to Key Managerial Personnel other than as Managing Director/Manager/Whole-time Director:**

| Sr.No. | Particulars of Remuneration  | Key Managerial Personnel                |                            |                  |
|--------|--|---|----------------------------|------------------|
|        |  | Mr. Darshak Thaker<br>Company Secretary | Mrs. Dhruti Pansara<br>CFO | Total            |
| 1.     | Gross Salary <ul style="list-style-type: none"> <li>• Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961</li> <li>• Value of perquisites under section 17(2) Income tax Act, 1961</li> <li>• Profit in lieu of salary under section 17(3) Income tax, 1961</li> </ul> | 2,24,621                                | 9,00,000                   | 11,24,621        |
| 2.     | Stock Option   | ---                                     | ---                        | ---              |
| 3.     | Sweat Equity   | ---                                     | ---                        | ---              |
| 4.     | Commission <ul style="list-style-type: none"> <li>• As % of profit</li> <li>• Other, specify</li> </ul>  | ---                                     | ---                        | ---              |
| 5.     | Other, please, specify   | ---                                     | ---                        | ---              |
|        | <b>Total</b>   | <b>2,24,621</b>                         | <b>9,00,000</b>            | <b>11,24,621</b> |

- Salary from April, 2018 to March, 2019

**(VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD/ NCLT/ COURT] | Appeal made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|---|-----------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                             |                                    |
| Penalty                             | ---                          | ---               | ---   | ---                         | ---                                |
| Punishment                          | ---                          | ---               | ---   | ---                         | ---                                |
| Compounding                         | ---                          | ---               | ---   | ---                         | ---                                |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                             |                                    |
| Penalty                             | ---                          | ---               | ---   | ---                         | ---                                |
| Punishment                          | ---                          | ---               | ---   | ---                         | ---                                |
| Compounding                         | ---                          | ---               | ---   | ---                         | ---                                |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                             |                                    |
| Penalty                             | ---                          | ---               | ---   | ---                         | ---                                |
| Punishment                          | ---                          | ---               | ---   | ---                         | ---                                |
| Compounding                         | ---                          | ---               | ---   | ---                         | ---                                |

Date: August 30, 2019  
Place: Jamnagar

By Order of the Board of Directors  
FOR, **GOLDSTAR POWER LIMITED**,

**(Navneet M. Pansara)**  
Managing Director  
[DIN 00300843]

**(Amrutlal M. Pansara)**  
Whole-Time Director  
[DIN 00300786]



## “Annexure-2”

### TO DIRECTORS REPORT OF GOLDSTAR POWER LIMITED

#### (Form AOC 2)

#### (Pursuant to Section 134 (3) (h) of the Act (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of material contracts or arrangements or transactions not at Arm's length basis:

#### NOT APPLICABLE

2. Details of material contracts or arrangements or transactions at Arm's length basis.

| Sr. No. | Name (s) of the related party & nature of relationship   | Nature of contracts/ arrangements / Transaction | Duration of the contracts/ arrangements/ transaction | Salient Features & value                      | Date of approval by the Board | Amount paid as advances, if any |
|---------|--|---|--|---|-------------------------------|---------------------------------|
| A.      | Goldstar Battery Limited (Uganda Unit)<br><b>Mr. Mulji Pansara is a Director</b>                 | Trading of goods (Sales of Battery)             | Annual   | 1,83,74,338                                   | NA                            | NIL                             |
| B.      | Blue Star Energy Private Limited<br><b>Company in which Relatives of Directors are Directors</b> | Sale/ Purchase                                  | Annual   | Sale:<br>1,27,36,224<br>Purchase:<br>4,96,527 | NA                            | NIL                             |

#### Note:

- Date of approval by the Board: Not Applicable, since the contracts were entered into in the ordinary course of business and on arm's length basis.
- All transactions are reviewed at regular interval and it is generally renewed on year to year basis.

**Date** : August 30, 2019

**Place** : Jamnagar

By Order of the Board of Directors

**For, GOLDSTAR POWER LIMITED**

**(Navneet M. Pansara)**  
Managing Director  
[DIN 00300843]

**(Amrutlal M. Pansara)**  
Whole-Time Director  
[DIN 00300786]



## **“Annexure-3”**

### **TO DIRECTORS REPORT OF GOLDSTAR POWER LIMITED**

#### **“AUDITORS REPORT”** **TO MEMBERS TO THE SHARE HOLDERS OF** **GOLDSTAR POWER LIMITED**

##### **REPORT ON THE FINANCIAL STATEMENTS**

###### **OPINION:**

We have audited the accompanying financial statements of **GOLDSTAR POWER LIMITED**, which comprise the Balance Sheet as at **31<sup>st</sup> March, 2019**, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the ‘Act’) in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit and its cash flows for the year ended on that date.

###### **BASIS FOR OPINION:**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

###### **KEY AUDIT MATTERS:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no Key Audit Matters Reportable as per SA 701 issued by ICAI.

## **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON:**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

## **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:**

Management is responsible for the matters stated in section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including accounting standards referred to in section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



## **AUDITOR'S RESPONSIBILITY:**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "**Annexure A**", a statement on the matter specified in the paragraph 3 and 4 of the Order.
2. As required under provisions of section 143(3) of the Companies Act, 2013, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief where necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet and Statement of Profit and Loss dealt with this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Financial Statement comply with the Accounting Standards specified under Section 133 of Act, read with relevant rule issued thereunder.
  - e) On the basis of written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, referred to our separate report in "**Annexure B**".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

(a) The Company have the following pending litigations as mentioned below as at 31<sup>st</sup> March 2019: -

- i. The Company has given guarantees to Amar Raja Battery Limited for which the encashment of guarantees has been made by the Amar Raja Battery Limited which has been challenged before the Honourable High Court of Gujarat which is pending by Civil Application No. 80 of 2019. However, the Company has deposited the full amount of disputes i.e. Rs. 78,95,900/- by way deposits in Honourable high court of Gujarat.
- ii. The Company has challenged before the Honourable high court of Gujarat in appeal no. 1504 of 2019 and 1530 of 2019 in which the prayer has been made by the Applicant that it was not covered by the Employees State Insurance Act and the same was not applicable to the company. However, no show cause notice has been issue or demand is determined and hence we are not in a position to quantify.
- iii. The company has challenged before the Honorable High Court of Gujarat the bill received from the Jamnagar Municipal Corporation for recovery of Rs. 22,97,823/-. The Said bill contains recovery of arrears of general taxes surcharge, conservancy and solid waste connection charges from the year 31.03.2006 to till date. The bill also contains recovery for the period March-April 2018-19.

(b) The Company did not have any long-term and derivative contracts as at March 31, 2019.

(c) There has been no delay in transferring amounts, require to be transferred, the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

**FOR DOSHI MARU & ASSOCIATES,  
CHARTERED ACCOUNTANTS**

**Place: Jamnagar  
Date: 28<sup>th</sup> May, 2019**

**Shashank P. Doshi  
Partner  
M. No. 108456  
FRN: 0112187W**

## **ANNEXURE “A” TO THE AUDITORS’ REPORT**

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

### **1. IN RESPECT OF ITS FIXED ASSETS:**

- I. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets;
- II. These fixed assets were physically verified by the management during the year. We have been informed that no material discrepancies were noticed on such physical verification;
- III. According to the information and explanation given to us and in the basis of our examination of the records of the company the title deeds of immovable properties are held in the name of the company except Factory Land Situated at Plot No. 8 & 21 which are owned by Muljibhai Pansara (Director of the Company);
- IV. The stock of inventory has been physically verified during the year by the Management at reasonable intervals, except stock lying with third parties. Confirmations of such stocks with third parties have been obtained by the Company in most of the cases. The discrepancies noticed on physical verification of stocks as compared to book records were not material; however, the same have been properly dealt with the books of account;
- V. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3 (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the company;
- VI. In our opinion and according to the information and explanations given to us, the Company has not provided any loans and advances under section 185 and 186 of the Companies Act, 2013;
- VII. The company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any relevant provisions of the 2013 act and the rules framed there under to the extent notified;
- VIII. The Central government has not prescribed the maintenance of cost records by the company under section 148(1) of the companies Act, 2013 for any of its products;
- IX. In respect of Statutory Dues:
  - i. The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, of Customs, Duty, GST, Cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, customs duty, excise duty and cess were in

arrears, as at 31.03.19 for a period of more than six months from the date they became payable;

- ii. According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, GST, wealth tax, excise duty and cess which have not been deposited on account of any dispute;
- X. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to financial institutions, banks or Government. The company has not issued any debentures as at the balance sheet date;
- XI. The company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The Moneys raised by way of term loan were applied for the purpose for which those are raised;
- XII. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or any fraud on the Company by its officers or employees noticed or reported during the year, nor have we been informed of such cases by the Management;
- XIII. According to the information and explanations given to us, we report that managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- XIV. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable;
- XV. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- XVI. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the company;
- XVII. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable;

XVIII. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR DOSHI MARU & ASSOCIATES,  
CHARTERED ACCOUNTANTS**

**Place: Jamnagar  
Date: 28<sup>th</sup> May ,2019**

**Shashank P. Doshi  
Partner  
(M. No. 108456)  
(FRN: 0112187W)**



## **ANNEXURE “B” TO AUDITOR’S REPORT**

### **“REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT)’”**

We have audited the internal financial controls over financial reporting of **GOLDSTAR POWER LIMITED** ('the Company') as of **31<sup>st</sup> March, 2019** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **AUDITORS’ RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

## **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statement.

## **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**FOR DOSHI MARU & ASSOCIATES,  
CHARTERED ACCOUNTANTS**

**Place: Jamnagar  
Date: 28<sup>th</sup> May, 2019**

**Shashank P. Doshi  
Partner  
M. No. 108456  
FRN: 0112187W**

**Form No MR-3**  
**SECRETARIAL AUDIT REPORT**For the Financial Year Ended 31<sup>st</sup>March, 2019[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**To,****The Members,**Goldstar Power Limited  
Behind Ravi Petrol Pump  
High-way Road at Post -Hapa  
Jamnagar-361120, Gujarat

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GOLDSTAR POWER LIMITED (CIN: L36999GJ1999PLC036274)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **Goldstar Power Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

Continue at page no. 2

Continue from page no. 1

## V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period);**
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client -
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period);** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**

Continue at page no. 3

Continue from page no. 2

We have also examined, in general, compliance with the applicable clauses of the following:

- i. Secretarial Standards with respect to Meetings of Board of Directors and Committees (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015) and revised (SS-1) & (SS-2) were effective from 1<sup>st</sup> October, 2017.
- ii. The Listing Agreement entered into by the Company with NSE LTD -SME Emerge as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:

- (a) The Company had purchased a Car against vehicle finance facility from Bank, during previous year 2017-18. However, as on the date of this Report, the Company had not filed particulars of creation of charge with Registrar in connection with this vehicle finance.
- (b) The Company had filed Form for registration of Resolution for Appointment of Internal Auditors on 16<sup>th</sup> May, 2019, which is after period of filing prescribed under the Act.
- (c) As on March 31, 2019, filing of Form 22A (Active KYC/ Company KYC), as prescribed under the Companies (Incorporation) Rules, 2014, is pending. Further, Form DIR-3 KYC of Mr. Jayant Virani, Independent Director, was filed with additional Fees.
- (d) The Company has made delay in payment of provident fund and filing of returns thereof, at some instance.
- (e) As per instructions and documents provided to us, filing of shipping documents of the export to the Bank for generating e-BRC is pending, by the Company, and to that extent, provisions of the Foreign Exchange Management Act, 1999 are not complied with.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Continue at Page no. 4

Continue from Page no. 3

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further informations and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

- I. We further report that** based on the review of compliance mechanism established by the information provided by the company, its officers and authorised representatives during the conduct of the audit and compliance certificate (s) placed before the board meeting, there are adequate systems and processes in the company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines such as Environment Protection Act, 1986 and other environmental laws; Factories Act, 1948; Trade Marks Act, 1999 and rules, notification issued under Employees Provident Fund and Miscellaneous Provisions Act, 1952; and other applicable labour laws and Indian Stamp Act, 1999;

**We further report that** during the audit period, there were no instances of:

- (i) Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger/ amalgamation/reconstruction etc.
- (v) Foreign technical collaborations.

Continue at page no. 5

Continue from page no. 4

We further report that:

The Compliance by the Company of the applicable financial laws, like Direct and Indirect tax Laws has not been reviewed in this Audit Since the same have been subject to the review by the Statutory Auditors and other designated professionals.

Place: Rajkot

Date : 27<sup>th</sup> July, 2019

For, **MJP** Associates  
Practising Company Secretaries  
Firm Reg. No. P2001GJ007900

(CS Purvi Dave)  
Partner  
ACS No. 27373 CP 10462

Please note that the Secretarial Audit report is to be read with my letter of even date attached as Annexure A to the report and letter also forms the integral part of report.

Continue at page no. 6



Continue from page no. 5

**ANNEXURE A**

To,  
**The Members,**  
Gold Star Power Limited  
Behind Ravi Petrol Pump  
High-way Road at Post -Hapa  
Jamnagar-361120, Gujarat

Our Secretarial Audit Report of even date for the Financial Year ended on 31<sup>st</sup> March, 2019 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We, have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company and verification of documents and records procedures on test check basis.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company

**For, MJP Associates**

**Practising Company Secretaries**  
**Firm Reg. No. P2001GJ007900**

**(CS Purvi Dave)**  
**Partner**

**ACS No. 27373 CP 10462**

**Place: Rajkot**

**Date : 27<sup>th</sup> July, 2019**

Office 110-112, Aalaap-B, Nr. Hotel Sarovar Portico, Opp. Shastri Maidan, Rajkot -360 001, Ph: 2461166/77  
Branch 311, Madhav Plaza, Opp, SBI, Nr. Lal Bunglaw, Jamnagar-361 001 Mo: 95747 67754  
Email:-mjpassociates@gmail.com

*Mere talent is not enough, success also demands determination, direction, dedication, concentration and discipline*



## “Annexure-5”

### TO DIRECTORS REPORT OF GOLDSTAR POWER LIMITED

#### Disclosures as per Section 197(12) of the Companies Act, 2013 & Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014”

1. The Ratio of Remuneration of Each Director to the Median Remuneration of the employees of the Company for the Financial Year ending March 31, 2019;
2. The Percentage Increase in Remuneration of Each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, in any, in the Financial Year ending March 31, 2019;

| Name                    | Designation                            | % Increase in Remuneration in the Financial Year ended on March 31, 2019               | Ratio to Median Employee |
|-------------------------|--|--|--------------------------|
| Mr. Mulji M. Pansara    | Chairman                               | NIL  | 1:9                      |
| Mr. Navneet M. Pansara  | Managing Director                      | NIL  | 1:9                      |
| Mr. Amrutlal M. Pansara | Whole Time Director                    | NIL  | 1:9                      |
| Mr. Vishal M. Pansara   | Whole Time Director                    | NIL  | 1:4                      |
| Mrs. Dhruti N. Pansara  | Director & CFO                         | NIL  | 1:4                      |
| Mr. Chetan C. Khattar   | Independent Director                   | Being Non-Executive Directors, only sitting fees was paid and thus ratio is not given. |                          |
| Mr. Jayant Virani       | Independent Director                   |  |                          |
| Mr. Hemraj Patel        | Independent Director                   |  |                          |
| Mr. Darshak Thaker      | Company Secretary & Compliance Officer | 37%  | NA                       |

3. The Percentage Increase in Median Remuneration of Employees in the Financial Year ending on March 31, 2019: NIL
4. Total Number of Employees as at March 31, 2019: 111  
Total Number of Employees on roll of the Company as at March 31, 2019: 111
5. Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in the Managerial Remuneration.

Average increase in remuneration of the employees: As point (iii) above;

6. We Affirm that the Remuneration is as per the Remuneration Policy of the Company.

Particulars of the employees who are covered who are covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

There was no employee of the Company employed throughout the financial year with salary above Rs. 1 Crore and Rs. 2 Lakhs per annum or employed in part of the financial year with an average salary above Rs. 8 Lakhs and Rs. 50 Thousand per month.

Further, there is no employee of the Company employed throughout the financial year or part thereof, was in receipt of remuneration in aggregate, in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent (2%) of the equity shares of the Company.

**Date** : August 30, 2019

**Place** : Jamnagar

By Order of the Board of Directors  
**For, GOLDSTAR POWER LIMITED**

**(Navneet M. Pansara)**  
**Managing Director**  
**[DIN 00300843]**

**(Amrutlal M. Pansara)**  
**Whole-Time Director**  
**[DIN 00300786]**



## **“Annexure-6”**

### **TO DIRECTORS REPORT OF GOLDSTAR POWER LIMITED**

## **NOMINATION AND REMUNERATION POLICY**

### **❖ INTRODUCTION**

The Company considers the human resources as its invaluable assets. This policy on Nomination & Remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulation”) in order to pay equitable remuneration to the Directors, KMPs and Employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.

### **❖ CONSTITUTION OF COMMITTEE**

The Board has the power to constitute/ reconstitute the Committee from time to time in order to make it consistent with the Company’s policy and applicable statutory requirement. At present, the Nomination and Remuneration Committee comprises of following Directors:

- i. Mr. Jayant Virani, Chairman (Non -Executive Independent Director)
- ii. Mr. Chetan Khattar, Member (Non -Executive Independent Director)
- iii. Mrs. Dhruti Pansara, Member (Non- Executive Director)

### **❖ OBJECTIVE AND PURPOSE OF POLICY**

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee, in compliances with Section 178 of the Companies Act, 2013 read along with applicable rules thereto and Regulation 19 of Listing Obligation. The objective of this policy is to lay down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management Personnel.

The key objectives of the Committee:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- ii. Formulation of criteria for evaluation of the Independent Director and to carry out evaluation of every Director's performance and to provide necessary report to the Board for further evaluation.
- iii. Devising a policy on Board diversity.
- iv. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- v. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- vi. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- vii. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- viii. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- ix. To perform such other functions as may be necessary or appropriate for the performance of its duties.
- x. To develop a succession plan for the Board and to regularly review the plan.

❖ **APPLICABILITY**

The Policy is applicable to:-

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel
- Employees

❖ **POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as director or KMP and recommend to the board his/her appointment.

A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position.

The Committee shall identify whether the director is willing to serve on one or more committees of the Board as also devote such time as necessary for proper performance of his duties.

The Committee shall analyze whether the Independent Director being considered is willing to and shall be able to carry out the duties which every independent directors are required to follow. The committee shall check whether the prospective Director/ KMP shall be able to follow the conduct of the Company or not.

❖ **TERM/ TENURE**

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under as amended from time to time.

1. **Managing Director/Whole-time Director/Manager (Managerial Person): -**

The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. **Independent Director: -**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves as an Independent Director.

## ❖ **EVALUATION AND ITS CRITERIA**

### • **Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

### • **Criteria for Evaluation of the Board:**

Following are the Criteria for evaluation of performance of the Board:

1. **Executive Directors:** The Executive Directors shall be evaluated on the basis of targets/Criteria given to executive Directors by the Board from time to time.
2. **Non-Executive Director:** The Non-Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:
  - (a) act objectively and constructively while exercising their duties;
  - (b) exercise their responsibilities in a bona fide manner in the interest of the Company;
  - (c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
  - (d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
  - (e) refrain from any action that would lead to loss of his independence,
  - (f) inform the Board immediately when they lose their independence,
  - (g) assist the Company in implementing the best corporate governance practices;
  - (h) strive to attend all meetings of the Board of Directors and the Committees;
  - (i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
  - (j) strive to attend the general meetings of the Company;
  - (k) keep themselves well informed about the Company and the external environment in which it operates;



(l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

(m) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest;

(n) abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading etc.

❖ **REMOVAL**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board with the reasons recorded in writing for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

❖ **RETIREMENT**

The Whole-Time Directors, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-Time Directors, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

❖ **POLICY FOR REMUNERATION TO DIRECTORS/ KMP**

The Committee will recommend the remuneration to be paid to the Managing Director, Whole Time Director, KMP and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:

- **Remuneration to Managerial Person, KMP and Senior Management:**

1. **Fixed pay:**

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

3. **Provisions for excess remuneration:**

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

- **Remuneration to Non-Executive / Independent Director:**

1. **Remuneration / Commission:**

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

2. **Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

## ❖ **POLICY REVIEW**

This policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and the requirements of the listing regulations.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or Regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with the law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to changes in regulations or as may be felt appropriate by the Company. Any changes or modifications on the policy as recommended by the Committee would be given approval of Board of Directors.

**Date** : August 30, 2019

**Place** : Jamnagar

By Order of the Board of Directors

**For, GOLDSTAR POWER LIMITED**

**(Navneet M. Pansara)**  
**Managing Director**  
**[DIN 00300843]**

**(Amrutlal M. Pansara)**  
**Whole-Time Director**  
**[DIN 00300786]**



## “Annexure-7”

### TO DIRECTORS REPORT OF GOLDSTAR POWER LIMITED

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### ❖ INDUSTRY STRUCTURE AND DEVELOPMENTS:

Incorporated in 1999, our Company, “*Goldstar Power Limited*” is engaged in Manufacturing of Batteries and Battery Product. Goldstar Power Limited is located at Hapa, Jamnagar on Jamnagar-Rajkot Highway, Gujarat with an integrated plant wherein Battery Scrap and Discarded Batteries procured from dealers and retailers are converted to finished product. Our Company was incorporated on July 12, 1999 and has completed more than fifteen four years since incorporation. Our Company spread over an area of Approx., 125000 Sq. Ft., ours is India’s only fully integrated unit having all production facility at a single place under single control.

Our Promoter, Muljibhai Pansara has more than Four decades of experience in Battery industry. He has been the founder chairman of the Gujarat Small Scale Battery Association and president of Federation of India Small Scale Battery Association for west zone. In the year 1982 Shri Muljibhai entered in to Battery business keeping roots of Agriculture intact. Since inception, Shri Muljibhai is keeping pace with technology as guiding force for development of the business. Though it was new business for him, he is never required to look back because of his vision and hardworking attitude. Successfully travelled around 35 years of long journey from a Partnership Firm to a well-managed corporate i.e., Goldstar Power Limited. Today Goldstar is the highly reputed name in the power industry. We are leading manufacturer in Small Scale segment.

Our Company is promoted by Mulji Pansara and Amratlal Pansara. Both our promoters are subscribers of our Company and are directors since inception. We started by manufacturing of battery plates and gradually moved to forward and backward stages of manufacturing. Later, in the year 2006, Navneet Pansara, son of Mulji Pansara joined our Company as Director and since then is involved in all day to day activities of our Company. In the year 2008, Vishal Pansara, younger son of Mulji Pansara joined our Company who leads the marketing department of our Company.

We believe in manufacturing and delivering quality products and our manufacturing process is under constant supervision by qualified engineers. Integrated plant and quality driven products are our major strengths. We maintain quality standard conforming to ISI, FIFO and International Quality standards like ISO under BVQI Approved. As a part of continual quality upgradation, we have adopted ISO 9001: 2015 system certification. Our Company's major revenue is from sale of Battery and Lead Plates various measures ranging from **GS 1000TT to GST 2300TT, GS 400 to GS 2000, GS 1200ER, GS 1200ER++ and GST, GSD and GSV versions.**

Our product range covers various types of batteries including Fully Automotive Batteries for Car, Tractor and Heavy Duty Trucks, Tubular Batteries for Inverter and Solar Application, SLI and Tubular Batteries for E-Rickshaw, SMF-VRLA Batteries for UPS Application, Motorcycle Batteries, Solar Batteries, Pure Lead and Alloy batteries.

Our manufacturing facility is equipped with requisite infrastructure including machinery, other handling equipment to facilitate smooth manufacturing process. We Endeavour to maintain safety in our premises by adhering to key safety norms. Our manufacturing process is integrated from procurement of raw materials to final testing. We are dedicated towards safe supply and hygiene of our products by controlling the procurement of standard raw material, monitoring the process parameters, maintaining appropriate sanitation and personal hygiene and to comply with applicable statutory and regulatory requirements of our products.

Currently our Company caters to all three segments of market viz. exports, domestic/after sales market and OEM. We have a widespread customer base with our domestic customer base situated in various regions of the country and our international customers situated across varied countries like **Uganda, Nepal, Lebanon, Dubai, Syria, Yaman, Afghanistan** etc.

At Goldstar, we desire to demonstrate its capability to provide various products conforming to needs of its customers. We aim satisfy the needs of customers including product requirements, the regulatory authorities and accreditation bodies and to achieve customer satisfaction by maintaining the best standards at all level from procurement to dispatch.

❖ **OPPORTUNITIES AND STRENGTH:**

- i. Experienced Promoters and Dedicated Management Team.
- ii. Strong Relationship with Reputed Institutional Customers.
- iii. Fully Integrated Plant.
- iv. Experienced Marketing Team.
- v. Operational Excellence.
- vi. Quality Control.
- vii. Diversified Product Portfolio.

❖ **THREATS AND RISK:**

- i. Significant Economic changes.
- ii. Seasonal factors.
- iii. Technological advancement and changes
- iv. Real or perceived Product Contamination
- v. Significant changes in Government Regulations or Regulatory Policies
- vi. Competitive prices and desired Quality.
- vii. Warranty Claims Issues

❖ **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

There is an adequate internal control procedure commensurate with the size of the company and nature of the business for inventory, fixed assets and for the sale of goods or services. The Company has implemented proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from any unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The system ensures appropriate information flow to facilitate effective monitoring. The internal audit system also ensures formation and implementation of corporate policies for financial, reporting, accounting and information security.

The Company has constituted Audit committee to overlook the internal control systems and their adequacy. Audit committee regularly reviews and gives recommendations on proper and adequate internal control systems.

❖ **FINANCIAL PERFORMANCE:**

During the Year under report, the Company has earned revenue from the operations of **Rs 36.36 Crores** as compared to previous year revenue i.e. **Rs 43.23 Crores**. Moreover, the Company has earned net profit (after tax) of **Rs 1.01 Crores** compared to previous year net profit of **Rs 28.89 Lacs**. Your Company's operating and financial performance scaled new heights during the year. Moreover, it is also assured that the Management will leave no efforts untouched to increase the profitability in the fourth coming years also.

❖ **SEGMENTS:**

Goldstar Power Limited does not have multiple segments. Hence, comments on segments are not required.

❖ **HUMAN RESOURCES:**

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

We have at around 111 employees. Our manpower is the prudent mix of experienced and youth which gives us the dual advantage of ability and growth. Our work progress and skilled/semiskilled/unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

❖ **CAUTIONARY STATEMENTS:**

All statements made in Management and Discussion Analysis have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which may be different from what the management envisages in terms of performance and outlook. Factors such as economic conditions affecting demand/supply and priced conditions in domestic & international markets in which the Company operates, and changes in Government regulations, tax laws, other statutes and other incidental factors, may affect the final results and performance of the Company.

**Date** : August 30, 2019

**Place** : Jamnagar

By Order of the Board of Directors

**For, GOLDSTAR POWER LIMITED**

**(Navneet M. Pansara)**  
**Managing Director**  
**[DIN 00300843]**

**(Amrutlal M. Pansara)**  
**Whole-Time Director**  
**[DIN 00300786]**





## **“Annexure-8”**

### **TO DIRECTORS REPORT OF GOLDSTAR POWER LIMITED**

#### **“CERTIFICATION FROM MD & CFO”**

(Regulation 17(8) of SEBI Listing Obligations and Disclosures Requirements)  
Regulations, 2015)

To,  
The Board of Directors,  
**GOLDSTAR POWER LIMITED,**  
Behind Ravi Petrol Pump,  
Rajkot Highway Road, At & Post Hapa,  
Dist. Jamnagar-361 120.

#### **SUBJECT: SUBMISSION OF COMPLIANCE CERTIFICATE**

Dear Sir,

We, Navneet Pansara, Managing Director, (DIN: 00300843) and Mr. Pranav Pandya, Chief Financial Officer, (PAN: AHIPP9524R) of the Company jointly declare and certify as under, in relation to the financial year 2018-2019:

- A.** We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B.** There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal, or violative of the listed entity's code of conduct.
- C.** We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed

to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to rectify these deficiencies.

**D.** We have indicated to the Auditors and the Audit committee:

- there is no significant changes in internal control over financial reporting during the year;
- there is no significant changes in accounting policies during the year; and
- there is no instances of significant fraud of which we have become aware and the involvement therein, if any of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

### **FOR GOLDSTAR POWER LIMITED**

**Navneet Pansara**  
(Managing Director)  
[DIN: 00300843]

**Pranav Pandya**  
(Chief Financial Officer)  
[PAN: AHIPP9524R]

# STANDALONE BALANCE SHEET

as at March 31, 2019

(All amounts are in Rs., except share data and where otherwise stated)

|           |  | NOTES     | AS AT<br>MARCH 31 <sup>ST</sup> , 2019 | AS AT<br>MARCH 31 <sup>ST</sup> , 2018 |
|-----------|--|-----------|--|--|
| <b>I</b>  | <b>EQUITY AND LIABILITIES</b>          |           |  |  |
| <b>1</b>  | <b>Shareholders' fund</b>              |           |  |  |
| (a)       | Share Capital                          | <b>2</b>  | 10,69,80,000.00                        | 10,69,80,000.00                        |
| (b)       | Reserves & Surplus                     | <b>3</b>  | 8,56,01,879.03                         | 7,54,95,317.96                         |
|           | <b>Total Shareholder's Fund</b>        |           | <b>19,25,81,879.03</b>                 | <b>18,24,75,317.97</b>                 |
| <b>2</b>  | <b>Non - Current liabilities</b>       |           |  |  |
| (a)       | Long-term borrowings                   | <b>4</b>  | 67,13,356.27                           | 5,55,036.07                            |
| (b)       | Deferred Tax Liabilities (net)         |           | 1,31,80,000                            | 1,83,00,000.00                         |
| (c)       | Other Long Term Liabilities            |           | ---                                    | ---                                    |
| (d)       | Long term provisions                   |           | ---                                    | ---                                    |
|           | <b>Total Non - Current Liabilities</b> |           | <b>1,98,93,356.27</b>                  | <b>1,88,55,036.07</b>                  |
| <b>3</b>  | <b>Current Liabilities</b>             |           |  |  |
| (a)       | Short term Borrowings                  | <b>5</b>  | 7,05,97,873.25                         | 7,81,75,785.08                         |
| (b)       | Trade payables                         | <b>6</b>  | 3,10,50,027.00                         | 3,37,12,651.22                         |
| (c)       | Other current liabilities              | <b>7</b>  | 98,31,498.25                           | 41,64,300.67                           |
| (d)       | Short Term Provisions                  | <b>8</b>  | 1,96,46,135.47                         | 3,50,04,591.47                         |
|           | <b>Total Current Liabilities</b>       |           | <b>13,11,25,533.97</b>                 | <b>15,10,57,328.44</b>                 |
|           | <b>TOTAL EQUITY &amp; LIABILITIES</b>  |           | <b>34,36,00,769.27</b>                 | <b>35,23,87,682.47</b>                 |
| <b>II</b> | <b>ASSETS</b>                          |           |  |  |
| <b>1</b>  | <b>Non-Current Assets</b>              |           |  |  |
| (a)       | Fixed Assets                           | <b>9</b>  |  |  |
|           | (i) Tangible assets                    |           | 13,33,05,860.26                        | 13,03,39,469.96                        |
|           | (ii) Work in Progress                  |           | ---                                    | ---                                    |
| (b)       | Non-Current Investment                 | <b>10</b> | 56,625.00                              | 56,625.00                              |
| (c)       | Long term loans and advances           | <b>11</b> | 1,71,99,368.14                         | 1,02,28,891.14                         |
| (d)       | Other Non-Current Assets               | <b>12</b> | 33,25,558.41                           | 41,34,948.00                           |
|           | <b>Total - Non Current Assets</b>      |           | <b>15,38,87,411.81</b>                 | <b>14,47,59,934.10</b>                 |
| <b>2</b>  | <b>Current Assets</b>                  |           |  |  |
| (a)       | Inventories                            | <b>13</b> | 12,19,46,442.55                        | 5,86,41,617.20                         |
| (b)       | Trade receivables                      | <b>14</b> | 5,39,52,872.19                         | 5,56,19,967.15                         |
| (c)       | Cash and Cash equivalents              | <b>15</b> | 10,21,385.60                           | 30,74,741.75                           |
| (d)       | Short term Loans and advances          | <b>11</b> | 1,27,92,657.12                         | 9,02,91,422.27                         |
| (e)       | Other Current Assets                   |           | ---                                    | ---                                    |
|           | <b>Total - Current Assets</b>          |           | <b>18,97,13,357.46</b>                 | <b>20,76,27,748.37</b>                 |
|           | <b>TOTAL ASSETS</b>                    |           | <b>34,36,00,769.27</b>                 | <b>35,23,87,682.47</b>                 |
|           | Significant Accounting Policies        | <b>1</b>  |  |  |

In Terms of our report attached  
For **DOSHI MARU & ASSOCIATES**  
Chartered Accountants  
(F.R.N: 0112187W)

**Shashank P. Doshi**  
Partner  
(M. No: 108456)

**Mulji Pansara**  
Chairman  
(DIN: 00300722)

For, and on behalf of Board  
**GOLDSTAR POWER LIMITED**

**Navneet Pansara**  
Managing Director  
(DIN: 00300843)

Date: May 28, 2019  
Place: Jamnagar

**Pranav Pandya**  
Chief Financial Officer  
(PAN: AHIPP9542R)

**Darshak Thaker**  
Company Secretary  
(M.NO: A46919)

# STANDALONE STATEMENT OF **PROFIT & LOSS**

for the year ended 31 March, 2019

(All amounts are in Rs., except share data and where otherwise stated)

| Particulars  |  | Note | 31 March 2019          | 31 March 2018          |
|--|--|------|------------------------|------------------------|
| I  | <b>INCOME</b>  |      |                        |                        |
|  | Revenue from operations  | 16   | 36,36,52,264.00        | 43,23,53,149.00        |
|  | Other income   | 17   | 1,26,30,580.92         | 1,11,03,671.05         |
| TOTAL REVENUE  |  |      | <b>37,62,82,844.92</b> | <b>44,34,56,820.05</b> |
| II   | <b>EXPENSES</b>  |      |                        |                        |
|  | Cost of materials consumed   | 18   | 27,78,96,114.52        | 34,03,67,144.15        |
|  | Purchase of Stock in trade   | -    | ---                    | ---                    |
|  | Changes in inventories of Finished Goods and Work in progress and Stock in Trade | 19   | (66,04,835.99)         | (63,31,527.63)         |
|  | Employee benefits expense  | 20   | 2,92,42,542.00         | 2,49,66,010.00         |
|  | Finance costs  | 21   | 85,83,413.21           | 1,42,02,651.33         |
|  | Depreciation and amortization expense  | 22   | 1,57,26,093.94         | 1,30,95,665.00         |
|  | Other expenses   | 23   | 4,53,12,825.48         | 5,21,33,400.97         |
| TOTAL EXPENSES   |  |      | <b>37,01,56,153.16</b> | <b>43,84,33,343.82</b> |
| III  | <b>Profit before exceptional and extraordinary items and tax</b>                 |      | 61,26,691.76           | 50,23,476.23           |
| IV   | <b>Tax Expenses</b>  | -    | ---                    | ---                    |
|  | Current Tax  |      | 30,65,000.00           | 15,90,572.92           |
|  | Deferred Tax   |      | (51,20,000.00)         | 11,58,000.00           |
|  | Less: MAT Credit   |      | (19,24,869.30)         | 6,14,902.45            |
|  | <b>Total Tax Expenses</b>  |      | <b>(39,79,869.30)</b>  | <b>21,33,670.47</b>    |
| V  | <b>PROFIT/(LOSS) FOR THE YEAR (III-IV)</b>                                       |      | <b>1,01,06,561.06</b>  | <b>28,89,805.76</b>    |
| VI   | <b>Earnings per equity share</b>   | -    | <b>0.94</b>            | <b>0.32</b>            |
|  | <b>Basic &amp; Diluted</b>   |      | <b>0.94</b>            | <b>0.32</b>            |
| Significant Accounting Policies  |  | 01   |                        |                        |
| The accompanying notes are an integral part of these Standalone Statement of Profit & Loss |  |      |                        |                        |

In Terms of our report attached  
For **DOSHI MARU & ASSOCIATES**  
Chartered Accountants  
(F.R.N: 0112187W)

For, and on behalf of Board of Directors  
**GOLDSTAR POWER LIMITED**

**Shashank P. Doshi**  
Partner  
(M. No: 108456)

**Mulji Pansara**  
Chairman  
(DIN: 00300722)

**Navneet Pansara**  
Managing Director  
(DIN: 00300843)

Date: May 28, 2019  
Place: Jamnagar

**Pranav Pandya**  
Chief Financial Officer  
(PAN: AHIPP9542R)

**Darshak Thaker**  
Company Secretary  
(M.NO: A46919)

## STANDALONE CASH FLOW STATEMENT

For the year ended 31 March, 2019

(All amounts are in Rs., except share data and where otherwise stated)

|           | Particulars  | 31 March 2019           | 31 March 2018           |
|-----------|--|-------------------------|-------------------------|
| <b>A.</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                         |                         |                         |
|           | Net profit before taxation   | 61,26,691.76            | 50,23,476.23            |
|           | <b>Adjustment for:</b>   |                         |                         |
|           | Depreciation & Amortization Exp.                                   | 1,57,26,093.94          | 1,38,28,507.00          |
|           | Loss (Profit) on Sale of Assets                                    | 1,40,741.00             | 1,24,890.00             |
|           | Dividend Income  | (8,494.00)              | (8,494.00)              |
|           | Previous Year Taxes Written Off                                    | ---                     | ---                     |
|           | Interest Income  | (72,39,605.00)          | (30,47,641.00)          |
|           | Finance Cost   | 85,83,413.21            | 1,42,02,651.33          |
|           | <b>Operating Profit before working capital changes</b>             | <b>2,33,28,840.91</b>   | <b>3,01,23,389.56</b>   |
|           | <b>Changes in working capital:</b>                                 |                         |                         |
|           | Trade Receivable   | 16,67,094.96            | (56,038.67)             |
|           | Other Loans and Advances Receivable                                | 7,74,98,765.15          | (1,62,06,532.64)        |
|           | Inventories  | (6,33,04,825.35)        | (20,96,498.36)          |
|           | Trade Payables   | (26,62,624.22)          | (1,32,77,815.78)        |
|           | Other Current Liabilities and other assets                         | 56,67,197.58            | (2,21,26,161.79)        |
|           | Short Term Provisions  | (1,53,58,456.00)        | 53,30,870.47            |
|           | Sub-Total Changes in Working Capital                               | 35,07,152.12            | (4,84,32,176.77)        |
|           | Direct taxes paid (net of refunds)                                 | ---                     | ---                     |
|           | <b>NET CASH FROM OPERATING ACTIVITIES (A)</b>                      | <b>2,68,35,993.03</b>   | <b>(1,83,08,787.21)</b> |
| <b>B.</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                         |                         |                         |
|           | Purchase of fixed assets   | (18,833,225.23)         | (1,45,73,108.00)        |
|           | Sale of fixed assets   | ---                     | 2,80,339.00             |
|           | Purchase of Investment   | ---                     | ---                     |
|           | Movement in Non-Current Assets                                     | 8,09,389.59             | (19,26,498.00)          |
|           | Movement in Loans and Advances                                     | (69,70,477.00)          | 1,84,838.50             |
|           | Interest Income  | 72,39,605.00            | 30,47,641.00            |
|           | Dividend Income  | 8,494.00                | 8,494.00                |
|           | <b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>                 | <b>(1,77,46,213.64)</b> | <b>(1,29,78,293.50)</b> |
| <b>C.</b> | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                         |                         |                         |
|           | Proceeds from Issue of Shares Capital                              | ---                     | 7,24,50,000.00          |
|           | Proceeds / - Repayment of long-term borrowings (Net)               | 61,58,320.20            | 5,55,036.07             |
|           | Proceeds /-Repayment from Short-term borrowings (Net)              | (75,77,911.83)          | 2,75,48,385.34          |
|           | Interest Paid  | (85,83,413.21)          | (1,42,02,651.33)        |
|           | Dividend Paid (including DDT)                                      | ---                     | ---                     |
|           | <b>NET CASH CLOW FROM FINANCING ACTIVITIES (C)</b>                 | <b>(1,00,03,004.84)</b> | <b>3,12,53,999.40</b>   |
| <b>D.</b> | <b>NET DECREASE/ INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b> | <b>(20,53,356.15)</b>   | <b>(16,23,654.23)</b>   |

|   |   |                     |                     |
|---|---|---------------------|---------------------|
| E.  | CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR                      | 30,74,741.75        | 46,98,395.98        |
| F.  | CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR                            | 10,21,385.60        | 30,74,741.75        |
|   | Components of cash and cash equivalents as at the end of the year           |                     |                     |
|   | Cash and Cheques on hand  | 48,292.44           | 1,48,123.44         |
|   | With Bank   |                     |                     |
|   | - In current account  | 8,80,663.16         | 29,17,464.31        |
|   | Deposit Account   | 92,430.00           | 9,154.00            |
|   | <b>TOTAL CASH AND CASH EQUIVALENT AS PER STANDALONE CASH FLOW STATEMENT</b> | <b>10,21,385.60</b> | <b>30,74,741.75</b> |
|   | Significant Accounting Policies   | 1                   |                     |
| The notes referred to above forms an integral part of the Cash Flow Statement |   |                     |                     |

**In Terms of our report attached**  
**For DOSHI MARU & ASSOCIATES**  
Chartered Accountants  
(F.R.N: 0112187W)

**For, and on behalf of Board of Directors**  
**GOLDSTAR POWER LIMITED**

**Shashank P. Doshi**  
Partner  
(M. No: 108456)

**Mulji Pansara**  
Chairman  
(DIN: 00300722)

**Navneet Pansara**  
Managing Director  
(DIN: 00300843)

Date: May 28, 2019  
Place: Jamnagar

**Pranav Pandya**  
Chief Financial Officer  
(PAN: AHIPP9542R)

**Darshak Thaker**  
Company Secretary  
(M.NO: A46919)

# ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

for the year ended 31 March 2019

## **NOTE: - 1 SIGNIFICANT ACCOUNTING POLICIES:**

### **1.0 CORPORATE INFORMATION**

**GOLDSTAR POWER LIMITED** is a Limited Company, incorporated under the provisions of Companies Act, 1956 and having CIN: L36999GJ1999PLC036274. The Company is mainly engaged in the business of Manufacturing of Inverter Battery, battery Parts, Plates & processing of Lead. The Company is also engaged in trading activity of Batteries. The Registered office of the Company is situated at Jamnagar – Rajkot Highway, B/h Ravi patrol pump, Hapa, Jamnagar.

### **1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

#### **a. Accounting Convention: -**

These financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (“Indian GAAP”). Indian GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (“the Act”) read with the Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the Historical Cost Convention and the Companies (Accounting Standards) Amendment Rules 2016 and the relevant provisions of the Companies Act, 2013.

#### **b. Use of Estimates and Judgments**

The preparation of financial statement in conformity with accounting standard requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affects the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statement and reported amounts of revenue and expenses during the period. Accounting estimates could change form period to period. Actual result could differ from those estimates. As soon as the Management is aware of the changes, appropriate changes in estimates are made. The effect of such changes are reflected in the period in which such changes are made and, if material, their effect are disclosed in the notes to financial statement.

#### **c. Current and Non - Current Classification:**

An asset or a liability is classified as Current when it satisfies any of the following criteria:

- i. It is expected to be realized / settled, or is intended for sales or consumptions, in the Company's Normal Operating Cycle;



- ii. It is held primarily for the purpose of being traded.
- iii. It is expected to be realized / due to be settled within twelve months after the end of reporting date;
- iv. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

**All other assets and liabilities are classified as Non - Current.**

For the purpose of Current / Non - Current classification of assets and liabilities, the Company has ascertained its operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or liabilities for processing and their realization in Cash and Cash Equivalents.

## **1.2 BASIS OF PREPARATION**

### **a) Presentation and Disclosure of Standalone Financial Statements**

These standalone financial statements have been prepared as per “Schedule - III” notified under the Companies Act, 2013. The Company has also reclassified / regrouped / restated the previous year figures in accordance with the requirements applicable in the current year.

### **b) Property, Plant & Equipment and Intangible Assets: -**

- i. The company has adopted Cost Model to measure the gross carrying amount of fixed assets.
- ii. Tangible Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes the purchase price and all other attributable costs incurred for bringing the asset to its working condition for intended use.
- iii. Intangible assets are stated at the consideration paid for acquisition and customization thereof less accumulated amortization.
- iv. Cost of fixed assets not ready for use before the balance sheet date is disclosed as Capital Work in Progress.
- v. Cost of Intangible Assets not ready for use before the balance sheet date is disclosed as Intangible Assets under Development.

### **c) Depreciation / Amortisation: -**

Depreciation has been provided under Straight Line Method at the rates prescribed under schedule II of the Companies Act, 2013 on single shift and Pro Rata Basis to result in a more appropriate preparation or presentation of the financial statements.

In respect of assets added/sold during the year, pro-rata depreciation has been

provided at the rates prescribed under Schedule II.

Intangible assets being Software are amortized over a period of its useful life on a straight line basis, commencing from date the assets is available to the company for its use.

**d) Impairment of Assets: -**

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior period is reversed if there has been a change in the estimate of the recoverable amount.

**e) Investments: -**

- Long term investments are stated at cost. Provision for diminution in the value of long-term investment is made only if such decline is other than temporary.
- Current investments are stated at lower of cost or market value. The determination of carrying amount of such investment is done on the basis of specific identification.

**f) Government Grants and Subsidies:**

The Company is entitled to receive any subsidy from the Government authorities or any other authorities in respect of manufacturing or other facilities are dealt as follows:

- Grants in the nature of subsidies which are non – refundable are credited to the respective accounts to which the grants relate, on accrual basis, where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them.
- Grants in the nature of Subsidy which are Refundable are shown as Liabilities in the Balance Sheet at the Reporting date.

**g) Retirement Benefits: -**

**a) Short Term Employee Benefits:**

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

**b) Employment Benefits:**

**i) Defined Contribution Plans:**

The company has Defined Contribution Plans for post-employment benefit in the form of Provident Fund which are administered by the Regional Provident Fund Commissioner. Provident Fund are classified as defined contribution plans as the company has no further obligation beyond making contributions. The company's contributions to defined contribution plans are charged to the Statement of Profit and Loss as and when incurred.

**ii) Defined Benefit Plans:**

**a) Gratuity:**

The company has defined benefit plan for post-employment benefit in the form of gratuity for the employees which are administered through Life Insurance Corporation of India. Liability for the said defined plan is provided on the basis of valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

**b) Leave Encashment:**

The Management has decided to apply pay as you go method for payment of leave encashment. So amount of leave encashment will be accounted in the profit and Loss A/c in the financial year in which the employees retires.

**h) VALUATION OF INVENTORY:**

Inventories of the raw material, work-in-progress, finished goods, packing material, stores and spares, components, consumables and stock in trade are carried at lower of cost and net realizable value. However, raw material and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item by item basis.

Cost of inventories included the cost incurred in bringing each product to its present location and conditions are accounted as follows:

**a) Raw Material:** - Cost included the purchase price and other direct or indirect costs incurred to bring the inventories into their present location and conditions. Cost is determined on *First in First out basis (FIFO)*.

**b) Finished Goods and Work-in-Progress:** - Work in progress are valued at cost which includes raw materials and cost incurred till the stage of production of process. Finished Goods are valued at cost or Net realizable value whichever is lower. Cost included cost of direct materials and the labor cost and a proportion of manufacturing overhead based on the normal operating capacity, but excluding the borrowing costs. Cost is determined on *"First in First out basis (FIFO)"*.

**c) Stock in Trade:** - Cost included the purchase price and other direct or indirect costs incurred in bringing the inventories to their present location and conditions. Cost is determined on “*Weighted Average Basis*”.

All other inventories of stores and spares, consumables, project material at site are valued at cost. The stock of waste or scrap is valued at net realizable value.

“Net Realizable Value” is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sales of the products.

**i) REVENUE RECOGNITION: -**

Revenue is recognized when it is probable that economic benefit associated with the transaction flows to the Company in ordinary course of its activities and the amount of revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking into the account contractually defined terms of payments, net of its returns, trade discounts and volume rebates allowed.

Revenue includes only the gross inflows of economic benefits, including the excise duty, received and receivable by the Company, on its own account. Amount collected on behalf of third parties such as sales tax, value added tax and goods and service tax (GST) are excluded from the Revenue.

**Sale of goods** is recognized at the point of dispatch of goods to customers, sales are exclusive of Sales tax, Vat, GST and Freight Charges if any. The revenue and expenditure are accounted on a going concern basis.

**Interest Income** is Recognized on a time proportion basis taking into account the amount outstanding and the rate applicable i.e. on the basis of matching concept.

**Dividend** from investments in shares / units is recognized when the company.

As per a recent ICAI opinion, the benefit of DEPB is recognized in the year of export itself, provided no uncertainty exists,

Other items of Income are accounted as and when the right to receive arises.

**j) ACCOUNTING FOR EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES:-**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transactions.

Any income or expenses on account of exchange difference either on settlement or on Balance Sheet Valuation is recognized in the profit and loss account except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

Foreign currency transactions accounts are given in the notes of accounts.

Commodity Hedging: - The realized gain or loss in respect of commodity hedging contracts, the principal period of which has expired during the year, is recognized in profit and loss account. In respect of contracts, that are outstanding as on date of Balance sheet are valued at prevailing market price and the resultant loss, if any, is provided.

#### **k) BORROWING COST:**

Borrowing Cost includes the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying property, plants and equipments are capitalized as a part of cost of that property, plants and equipments. The amount of borrowing costs eligible for capitalization is determined in accordance with the Accounting Standards – 16 “Borrowing Costs”. Other Borrowing Costs are recognized as expenses in the period in which they are incurred.

In accordance with the Accounting Standard – 16, exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustments to interest costs are recognized as Borrowing Costs, and are capitalized as a part of cost of such property, plants and equipments if they are directly attributable to their acquisition or charged to the Standalone Statement or Profit and Loss.

#### **l) SEGMENT REPORTING:**

- **Business Segment:**

The company has disclosed business segment in notes on accounts as the primary segment taking into account the type of products, the differing risk return and the internal reporting system. The various segments identified by the company comprised as under:

Name of Segment Comprised of-

- Manufacturing of Battery, Lead Alloy.
- Trading of Inverter, Chemicals & other battery related goods.

Segment Revenue, segment results, segment assets and segment liabilities including directly identified with the segment and also an allocation on reasonable basis of amount not directly identified. The expenses which are not directly relatable to the business segment, are shown as unallocated corporate cost. The assets and the liability that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

- **Geographical Segment:**

The Company has identified Geographical Segments as a secondary segment.

**m) RELATED PARTY DISCLOSURE:**

The Disclosures of Transaction with the related parties as defined in the related parties as defined in the Accounting Standard are given in notes of accounts.

**n) ACCOUNTING FOR LEASES: -**

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to the ownership to the Company is classified as a finance lease.

The Company as a lessee:

**a) Operating Lease: -** Rental payable under the operating lease are charged to the Standalone Statement of Profit and Loss on a Straight line basis over the term of the relevant lease.

**b) Finance Lease: -** Finance lease are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against the income over the period of the lease.

The Company has not provided any of its assets on the basis of operating lease or finance lease to others.

**o) CASH FLOW: -**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals of past or future cash receipts and payments. The cash flows from regular operating, investing and financing activities of the company are segregated.

**p) EARNINGS PER SHARE: -**

The Company reports the basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20, "Earnings per Share". Basic EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all potential Equity Shares, except where the results are Anti - Dilutive.

The weighted average number of Equity Shares outstanding during the period is adjusted for events such a Bonus Issue, Bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of Equity Shares outstanding, without a corresponding change in resources.

**q) TAXES ON INCOME: -**

- **Current Tax: -**

Provision for current tax is made after taken into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

- **Deferred Taxes: -**

Deferred Income Tax is provided using the liability method on all temporary difference at the balance sheet date between the tax basis of assets and liabilities and their carrying amount for financial reporting purposes.

- I. Deferred Tax Assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available in the future against which this items can be utilized.
- II. Deferred Tax Assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets is realized or the liability is settled, based on tax rates (and the tax) that have been enacted or enacted subsequent to the balance sheet date.

**r) DISCONTINUING OPERATIONS: -**

During the year the company has not discontinued any of its operations.

**s) PROVISIONS CONTINGENT LIABILITIES AND CONTINGENT ASSETS: -**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as Contingent Liability.

A disclosure for a Contingent Liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is



not probable that an outflow of resources will be required to settle the obligation is reported as Contingent Liability. In the rare cases, when a liability cannot be measured reliably, it is classified as Contingent Liability. The Company does not recognize a Contingent Liability but disclosed its existence in the standalone financial statements.

**t) EVENT AFTER REPORTING DATE: -**

Where events occurring after the Balance Sheet date provide evidence of condition that existed at the end of reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

All the events occurring after the Balance Sheet date up to the date of the approval of the standalone financial statement of the Company by the board of directors on May 28, 2019 have been considered, disclosed and adjusted, wherever applicable, as per the requirement of Accounting Standards.

**u) LATE DELIVERY CHARGES**

The liability on account of late delivery charges, due to delay in delivery of finished products for on accrual basis as per the terms of contract after adjusting for the claims which are no longer.

**v) RESEARCH AND DEVELOPMENT EXPENSES**

Research and development cost of revenue are charged to revenue as and when incurred, and of capital nature is capitalized and depreciation thereon is provided as per the rates prescribed in schedule II to the companies Act, 2013.

**w) WARRANTY CLAIMS AND PROVISIONS**

The Company makes a provision for the probable future liability on account of warranty as at the end of the financial year, in addition to meeting the actual warranty claimed.

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## NOTES FORMING PART OF **BALANCE-SHEET AND PROFIT-LOSS STATEMENT**

### Note 2 SHARE CAPITAL

| <u>Share Capital</u>                      | As at 31st March 2019 |                    | As at 31st March 2018 |                    |
|---|-----------------------|--------------------|-----------------------|--------------------|
|   | Number                | Amt. Rs.           | Number                | Amt. Rs.           |
| <b>Authorised</b>                         |                       |                    |                       |                    |
| Equity Shares of Rs. 10/- each            | 15,000,000            | 150,000,000        | 15,000,000            | 150,000,000        |
| <b>Issued</b>                             |                       |                    |                       |                    |
| Equity Shares of Rs. 10/- each            | 10,698,000            | 106,980,000        | 10,698,000            | 106,980,000        |
| <b>Subscribed &amp; Paid up</b>           |                       |                    |                       |                    |
| Equity Shares of Rs. 10/- each fully paid | 10,698,000            | 106,980,000        | 10,698,000            | 106,980,000        |
| <b>Total</b>                              | <b>10,698,000</b>     | <b>106,980,000</b> | <b>10,698,000</b>     | <b>106,980,000</b> |

### Note 2.1 RECONCILIATION OF NUMBER OF SHARES

| Particulars                                     | As at 31st March 2019<br>Equity Shares |             | As at 31st March 2018<br>Equity Shares |             |
|---|--|-------------|--|-------------|
|   | Number                                 | Amt. Rs.    | Number                                 | Amt. Rs.    |
| Shares outstanding at the beginning of the year | 10,698,000                             | 106,980,000 | 1,300,000                              | 13,000,000  |
| Shares Issued during the year.                  | ---                                    | ---         | 2,898,000                              | 28,980,000  |
| Shares Issued as Bonus during the year.         | ---                                    | ---         | 6,500,000                              | 65,000,000  |
| Shares outstanding at the end of the year.      | 10,698,000                             | 106,980,000 | 10,698,000                             | 106,980,000 |

### Note 2.2 DETAILS OF SHARES HELD BY SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY

| Name of Shareholder | As at 31st March 2019<br>Equity Shares |              | As at 31st March 2018<br>Equity Shares |              |
|---------------------|--|--------------|--|--------------|
|                     | No. of Shares Held                     | % of Holding | No. of Shares Held                     | % of Holding |
| Amrutlal M Pansara  | 1,869,582                              | 17.48%       | 1,869,582                              | 17.48%       |
| Leelaben M Pansara  | 536,616                                | 5.02%        | 536,616                                | 5.02%        |
| Vishal M Pansara    | 621,450                                | 5.81%        | 621,450.00                             | 5.81%        |
| Muljibhai M Pansara | 2,772,942                              | 25.92%       | 2,772,942                              | 25.92%       |

### Note 3 RESERVE AND SURPLUS

| Particulars  | As at 31st March 2019 | As at 31st March 2018 |
|--|-----------------------|-----------------------|
| <b>a. Securities Premium Account</b>               |                       |                       |
| Opening Balance                                    | 43,470,000.00         | 35,000,000.00         |
| Add : Securities premium credited on Share issue   | -                     | 43,470,000.00         |
| <u>Less : Premium Utilised for various reasons</u> | -                     | -                     |
| For Issuing Bonus Shares                           | -                     | 35,000,000.00         |
| Closing Balance <b>Total (A)</b>                   | <b>43,470,000.00</b>  | <b>43,470,000.00</b>  |
| <b>b. Surplus</b>                                  |                       |                       |
| Opening balance                                    | 32,025,317.96         | 57,974,751.20         |
| (+) Net Profit/(Net Loss) For the current year     | 10,106,561.06         | 2,889,805.76          |
| (+) Income tax Refund Received                     | -                     | 1,509,225.00          |
| (-) For Issuing Bonus Shares                       | -                     | 30,000,000.00         |
| (-) Income Tax Written Off                         | -                     | 348,464.00            |
| Closing Balance <b>Total (B)</b>                   | <b>42,131,879.03</b>  | <b>32,025,317.96</b>  |
| <b>Grand Total (A+B)</b>                           | <b>85,601,879.03</b>  | <b>75,495,317.96</b>  |

### NOTE: 4 LONG TERM BORROWINGS

| Particulars       | As at 31st March 2019<br>Equity Shares |                     |                     | As at 31st March 2018<br>Equity Shares |                    |                     |
|-------------------|--|---------------------|---------------------|--|--------------------|---------------------|
|                   | Non-Current                            | Current             | Total               | Non-Current                            | Current            | Total               |
| <b>Term Loan</b>  |  |                     |                     |  |                    |                     |
| SIDBI Bank Loan   | 66,79,474.22                           | 8,18,741.78         | 74,98,216.00        | ---                                    | ---                | ---                 |
| HDFC Car Loan     | 33,882.05                              | 5,96,069.97         | 6,29,952.02         | 5,55,036.07                            | 5,32,992.00        | 10,88,028.07        |
| <b>Sub Total</b>  | <b>67,13,356.27</b>                    | <b>14,14,811.75</b> | <b>81,28,168.02</b> | <b>5,55,036.07</b>                     | <b>5,32,992.00</b> | <b>10,88,028.07</b> |
| Secured           | 67,13,356.27                           | 14,14,811.75        | 81,28,168.02        | 5,55,036.07                            | 5,32,992.00        | 10,88,028.07        |
| Unsecured         |  |                     |                     |  |                    |                     |
| <b>Total</b>      | <b>67,13,356.27</b>                    | <b>14,14,811.75</b> | <b>81,28,168.02</b> | <b>5,55,036.07</b>                     | <b>5,32,992.00</b> | <b>10,88,028.07</b> |
| <b>Amount</b>     | ---                                    | (14,14,811.75)      | (14,14,811.75)      | ---                                    | (5,32,992.00)      | (5,32,992.00)       |
| <b>Net Amount</b> | <b>67,13,356.27</b>                    | <b>---</b>          | <b>67,13,356.27</b> | <b>5,55,036.07</b>                     | <b>---</b>         | <b>5,55,036.07</b>  |

| Note<br>5 | SHORT TERM BORROWINGS  |                          |                          |
|-----------|--|--------------------------|--------------------------|
|           | Particulars  | As at<br>31st March 2019 | As at<br>31st March 2018 |
|           | <b>(a) Loan Repayable on Demands</b>   |                          |                          |
|           | from banks   |                          |                          |
|           | HDFC Bank  | 20,005,125.59            | 13,505,933.00            |
|           | Bank of Baroda   | -                        | -                        |
|           | HDFC Dropline OD   | 38,030,058.78            | 56,076,802.18            |
|           | Total  | 58,035,184.37            | 69,582,735.18            |
|           |  |                          |                          |
|           | <b>(b) Loan Repayable on Demands</b>   |                          |                          |
|           | Loans from Relative of Directors   | -                        | 4,883,089.00             |
|           | Loan from Directors  | 12,562,688.88            | 3,709,960.90             |
|           | Total  | 12,562,688.88            | 8,593,049.90             |
|           |  |                          |                          |
|           | <b>The above amount include</b>  |                          |                          |
|           | Secured Borrowings   | 58,035,184.37            | 69,582,735.18            |
|           | Unsecured Borrowings   | 12,562,688.88            | 8,593,049.90             |
|           |  |                          |                          |
|           | <b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) &amp; (b)</b> |                          |                          |
|           | 1. Period of default   | -                        | -                        |
|           | 2. Amount  | -                        | -                        |
|           | <b>Total</b>   | <b>70,597,873.25</b>     | <b>78,175,785.08</b>     |

| Note<br>6 | TRADE PAYABLES                         |                          |                          |
|-----------|--|--------------------------|--------------------------|
|           | Particulars                            | As at 31st March<br>2019 | As at 31st March<br>2018 |
|           |  |                          |                          |
|           | (a) Micro, Small and Medium Enterprise | -                        | -                        |
|           | (b) Others                             | 31,050,027.00            | 33,712,651.22            |
|           |  |                          |                          |
|           | <b>Total</b>                           | <b>31,050,027.00</b>     | <b>33,712,651.22</b>     |

### Note 7 OTHER CURRENT LIABILITIES

| Particulars   | As at 31st March 2019 | As at 31st March 2018 |
|---|-----------------------|-----------------------|
| (i) Current maturities of Long Term Debt<br>(i.e. Term Liability classified as current as per Note 4) | 1,414,811.75          | 532,992.00            |
| (i) Statutory Remittance  |                       |                       |
| (i) TDS Payable   | 335,947.00            | 618,514.00            |
| (ii) Service Tax  | -                     | -                     |
| (iii) GST   | -                     | 75,385.67             |
| (ii) Advanced from Customer   | 7,928,670.50          | 2,760,340.00          |
| (iii) Other payables (specify nature)   |                       |                       |
| Differential Duty Payable on Non Submission of Form C   | 152,069.00            | 152,069.00            |
| Security Deposits   | -                     | 25,000.00             |
| <b>Total</b>  | <b>9,831,498.25</b>   | <b>4,164,300.67</b>   |

### Note 8

### SHORT TERM PROVISIONS

| Particulars                        | As at 31st March 2019 | As at 31st March 2018 |
|------------------------------------|-----------------------|-----------------------|
| <b>Provision For</b>               |                       |                       |
| <b>(a) Employee benefits</b>       |                       |                       |
| (i) Contribution to PF             | 336,166.00            | 310,391.00            |
| (ii) Bonus Payable                 | 685,562.00            | 450,000.00            |
| (iii) Gratuity Payable             | 1,526,977.00          | 1,337,841.00          |
| (iv) Wages Payable                 | 405,919.00            | 261,267.00            |
| (v) leave encashment               | 237,567.00            | 80,000.00             |
| (vi) Professional Tax              | 19,580.00             | 11,860.00             |
| (vii) ESIC Payable                 | 342,575.00            | 323,862.00            |
| <b>(b) Others (Specify nature)</b> |                       |                       |
| (i) Income Tax                     | 4,040,670.47          | 3,595,170.47          |
| (ii) Warranty                      | 11,468,895.00         | 27,921,600.00         |
| (iii) Electricity                  | 582,224.00            | 712,600.00            |
| <b>Total</b>                       | <b>19,646,135.47</b>  | <b>35,004,591.47</b>  |

### Note 9 FIXED ASSETS

|              |                                | Gross Block                |                      |                      |                             | Accumulated Depreciation   |                            |                                  |                         | Net Block                   |                             |                            |
|--------------|--------------------------------|----------------------------|----------------------|----------------------|-----------------------------|----------------------------|----------------------------|----------------------------------|-------------------------|-----------------------------|-----------------------------|----------------------------|
| Fixed Assets |                                | Balance as at 1 April 2018 | Additions            | Disposal/ Adjustment | Balance as at 31 March 2019 | Balance as at 1 April 2018 | Amount Charged to Reserves | Depreciation charge for the year | Deductions/ Adjustments | Balance as at 31 March 2019 | Balance as at 31 March 2019 | Balance as at 1 April 2018 |
| <b>a.</b>    | <b>Tangible Assets</b>         |                            |                      |                      |                             |                            |                            |                                  |                         |                             |                             |                            |
|              | Land                           | 7,802,475.00               | -                    | -                    | 7,802,475.00                | -                          | -                          | -                                | -                       | -                           | 7,802,475.00                | 7,802,475.00               |
|              | Factory buildings              | 36,913,444.00              | 13,245,255.00        | -                    | 50,158,699.00               | 10,612,933.94              | -                          | 3,511,121.17                     | -                       | 14,124,055.11               | 36,034,643.89               | 26,300,510.06              |
|              | Plant and Machinery General    | 144,754,804.00             | 12,844,094.00        | 262,039.00           | 157,336,859.00              | 64,186,201.39              | -                          | 10,293,622.33                    | 121,297.81              | 74,358,525.91               | 82,978,333.09               | 80,568,602.61              |
|              | General furniture and fittings | 12,263,283.95              | 17,132.00            | -                    | 12,280,415.95               | 9,651,864.88               | -                          | 636,799.19                       | -                       | 10,288,664.07               | 1,991,751.88                | 2,611,419.07               |
|              | Vehicles                       | 8,768,400.00               | -                    | -                    | 8,768,400.00                | 4,403,615.50               | -                          | 1,065,750.68                     | -                       | 5,469,366.17                | 3,299,033.83                | 4,364,784.50               |
|              | Computer                       | 852,539.00                 | 296,984.00           | -                    | 1,149,523.00                | 599,703.44                 | -                          | 173,673.27                       | -                       | 773,376.71                  | 376,146.29                  | 252,835.56                 |
|              | Mobile Instrument              | 262,883.00                 | 11,980.00            | -                    | 274,863.00                  | 195,687.14                 | -                          | 25,704.41                        | -                       | 221,391.55                  | 53,471.45                   | 67,195.86                  |
|              | Office equipment               | 861,196.00                 | 13,131.00            | -                    | 874,327.00                  | 774,149.28                 | -                          | 19,422.89                        | -                       | 793,572.17                  | 80,754.83                   | 87,046.72                  |
| <b>b.</b>    | <b>Intangible Assets</b>       |                            |                      |                      |                             |                            |                            |                                  |                         |                             |                             |                            |
|              | Trade Mark                     | 685,750.00                 | 3,500.00             | -                    | 689,250.00                  | -                          | -                          | -                                | -                       | -                           | 689,250.00                  | 685,750.00                 |
| <b>c.</b>    | <b>Work In Progress</b>        |                            |                      |                      |                             |                            |                            |                                  |                         |                             |                             |                            |
|              | Factory Building               | 7,598,850.00               | 1,802,364.00         | 9,401,214.00         | -                           | -                          | -                          | -                                | -                       | -                           | -                           | 7,598,850.00               |
|              | <b>Total</b>                   | <b>220,763,624.95</b>      | <b>28,234,440.00</b> | <b>9,663,253.00</b>  | <b>239,334,811.95</b>       | <b>90,424,155.57</b>       | <b>-</b>                   | <b>15,726,093.94</b>             | <b>121,297.81</b>       | <b>106,028,951.69</b>       | <b>133,305,860.26</b>       | <b>130,339,469.38</b>      |

| Note 10 | NON CURRENT INVESTMENTS                            |                       |                       |
|---------|--|-----------------------|-----------------------|
|         | Particulars  | As at 31st March 2019 | As at 31st March 2018 |
|         | (b) Other non-current investments (specify nature) |                       |                       |
|         | NCB Shares   | 1,250.00              | 1,250.00              |
|         | NCB Linking Share                                  | 55,375.00             | 55,375.00             |
|         | Total  | 56,625.00             | 56,625.00             |
|         | <b>Total</b>                                       | <b>56,625.00</b>      | <b>56,625.00</b>      |

NOTE 11 LOANS AND ADVANCES

| Particulars                          | As at 31st March 2019 |                      |                      | As at 31st March 2018 |                      |                       |
|--------------------------------------|-----------------------|----------------------|----------------------|-----------------------|----------------------|-----------------------|
|                                      | Long Term             | Short term           | Total                | Long Term             | Short term           | Total                 |
| <b>Security Deposit</b>              |                       |                      |                      |                       |                      |                       |
| Unsecured, Considered good           | 12,857,638.14         | -                    | 12,857,638.14        | 5,594,500.14          | -                    | 5,594,500.14          |
| <b>Sub Total</b>                     | <b>12,857,638.14</b>  | <b>-</b>             | <b>12,857,638.14</b> | <b>5,594,500.14</b>   | <b>-</b>             | <b>5,594,500.14</b>   |
| <b>Other Loan &amp; Advance</b>      |                       |                      |                      |                       |                      |                       |
| <b>Unsecured, Considered good</b>    |                       |                      |                      |                       |                      |                       |
| Advance to suppliers                 | 266,640.00            | 302,099.00           | 568,739.00           | 233,689.00            | 6,675,706.64         | 6,909,395.64          |
| Advance Payment of Tax & Credit      | 3,862,470.00          | 6,644,371.12         | 10,506,841.12        | 4,251,457.00          | 2,019,801.63         | 6,271,258.63          |
| Advance to Employee                  | -                     | 170,869.00           | 170,869.00           | -                     | 156,605.00           | 156,605.00            |
| Loans & Advances to other            | -                     | 5,675,318.00         | 5,675,318.00         | -                     | 80,957,511.00        | 80,957,511.00         |
| Other Recoverable & Prepaid Advances | 212,620.00            | -                    | 212,620.00           | 149,245.00            | 481,798.00           | 631,043.00            |
| <b>Sub Total</b>                     | <b>4,341,730.00</b>   | <b>12,792,657.12</b> | <b>17,134,387.12</b> | <b>4,634,391.00</b>   | <b>90,291,422.27</b> | <b>94,925,813.27</b>  |
| <b>Total</b>                         | <b>17,199,368.14</b>  | <b>12,792,657.12</b> | <b>29,992,025.26</b> | <b>10,228,891.14</b>  | <b>90,291,422.27</b> | <b>100,520,313.41</b> |

| Note 12 | OTHER NON CURRENT ASSETS             |                       |                       |
|---------|--------------------------------------|-----------------------|-----------------------|
|         | Particulars                          | As at 31st March 2019 | As at 31st March 2018 |
|         | Preliminary Expenses not Written off | 3,325,558.41          | 4,134,948.00          |
|         | <b>Total</b>                         | <b>3,325,558.41</b>   | <b>4,134,948.00</b>   |

| Note 13 | INVENTORIES   |                       |                       |
|---------|---|-----------------------|-----------------------|
|         | Particulars   | As at 31st March 2019 | As at 31st March 2018 |
|         | a. Raw Materials and components                     | 97,126,718.69         | 40,426,729.71         |
|         | (Valued at Lower of Cost or NRV as per FIFO Method) |                       |                       |
|         | b. Work-in-progress                                 | 6,592,388.86          | 5,573,043.49          |
|         | (Valued At Estimated Cost)                          |                       |                       |
|         | c. Finished goods                                   | 16,129,645.00         | 12,231,844.00         |
|         | (Valued at Lower of Cost or NRV)                    |                       |                       |
|         | d. Stock-In-Trade                                   | 2,097,690.00          | 410,000.00            |
|         | (Valued At Lower of Cost or NRV)                    |                       |                       |
|         | <b>Total</b>  | <b>121,946,442.55</b> | <b>58,641,617.20</b>  |

| Note 14 | TRADE RECEIVABLES               |                       |                       |
|---------|---------------------------------|-----------------------|-----------------------|
|         | Particulars                     | As at 31st March 2019 | As at 31st March 2018 |
|         | (Unsecured and Considered Good) |                       |                       |
|         | Over Six Months                 | 10,416,111.19         | 8,695,447.23          |
|         | Others                          | 43,536,761.00         | 46,924,519.72         |
|         |                                 |                       |                       |
|         | <b>Total</b>                    | <b>53,952,872.19</b>  | <b>55,619,966.95</b>  |

**NOTE 15 CASH & CASH EQUIVALENTS**

| Particulars                  | As at 31st March 2019 |                     |                     | As at 31st March 2018 |                     |                     |
|------------------------------|-----------------------|---------------------|---------------------|-----------------------|---------------------|---------------------|
|                              | Non Current           | Current             | Total               | Non Current           | Current             | Total               |
| <b>Balance with banks</b>    |                       |                     |                     |                       |                     |                     |
| Bank of Baroda               | -                     | 440,894.75          | 440,894.75          | -                     | 210,110.75          | 210,110.75          |
| HDFC Bank                    | -                     | 274,768.38          | 274,768.38          | -                     | 2,372,000.70        | 2,372,000.70        |
| Nawanagar Bank               | -                     | 165,000.03          | 165,000.03          | -                     | 58,857.03           | 58,857.03           |
| SBI Bank                     | -                     | -                   | -                   | -                     | 257,026.33          | 257,026.33          |
| BOB Temporary A/c            | -                     | -                   | -                   | -                     | 19,469.50           | 19,469.50           |
|                              |                       |                     |                     |                       |                     |                     |
| <b>Total</b>                 | <b>-</b>              | <b>880,663.16</b>   | <b>880,663.16</b>   | <b>-</b>              | <b>2,917,464.31</b> | <b>2,917,464.31</b> |
|                              |                       |                     |                     |                       |                     |                     |
| <b>Cash in hand</b>          |                       |                     |                     |                       |                     |                     |
| Cash at HO                   |                       | 35,916.44           | 35,916.44           |                       | 139,421.44          | 139,421.44          |
| Cash at Branches             |                       | 12,376.00           | 12,376.00           |                       | 8,702.00            | 8,702.00            |
|                              |                       |                     |                     |                       |                     |                     |
| <b>Total</b>                 | <b>-</b>              | <b>48,292.44</b>    | <b>48,292.44</b>    | <b>-</b>              | <b>148,123.44</b>   | <b>148,123.44</b>   |
|                              |                       |                     |                     |                       |                     |                     |
| Interest Accrued but not due |                       | 92,430.00           | 92,430.00           |                       | 9,154.00            | 9,154.00            |
| <b>Total</b>                 | <b>-</b>              | <b>92,430.00</b>    | <b>92,430.00</b>    | <b>-</b>              | <b>9,154.00</b>     | <b>9,154.00</b>     |
| <b>Total</b>                 | <b>-</b>              | <b>1,021,385.60</b> | <b>1,021,385.60</b> | <b>-</b>              | <b>3,074,741.75</b> | <b>3,074,741.75</b> |

| Note 16 | REVENUE FROM OPERATIONS |                                    |                                    |
|---------|-------------------------|------------------------------------|------------------------------------|
|         | Particulars             | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
|         | Sale of products        | 363,652,264.00                     | 449,940,578.00                     |
|         | <u>Less:</u>            |                                    |                                    |
|         | Excise Duty             | -                                  | 17,587,429.00                      |
|         | <b>Total</b>            | <b>363,652,264.00</b>              | <b>432,353,149.00</b>              |

| Note 16.1 | PARTICULARS OF SALE OF PRODUCTS           |                                    |                                    |
|-----------|---|------------------------------------|------------------------------------|
|           | Particulars                               | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
|           | <b>Manufactured Goods</b>                 |                                    |                                    |
|           | Storage Batteries & Others                | 227,370,262.00                     | 304,854,818.00                     |
|           | Waste Sales                               | 3,069,380.00                       | 8,120,556.00                       |
|           | Semi-finished Lead & Plate and Separators | 114,068,721.00                     | 26,536,632.00                      |
|           | Tubular Bags                              | 510,380.00                         | -                                  |
|           | Battery Sales at Ahmedabad                | -                                  | 68,366,454.00                      |
|           | Container sale                            | 41,059.00                          | 174,275.00                         |
|           | Packing Material                          | 218,395.00                         | 69,425.00                          |



|  |                     |                       |                       |
|--|---------------------|-----------------------|-----------------------|
|  | <b>Traded Goods</b> |                       |                       |
|  | Capital Goods Sales | -                     | 91,000.00             |
|  | Export Sales        | 18,374,067.00         | 24,160,568.00         |
|  | <b>Total</b>        | <b>363,652,264.00</b> | <b>432,373,728.00</b> |

| <b>Note 17</b> | <b>OTHER INCOME</b>                       |   |   |
|----------------|---|---|---|
|                | <b>Particulars</b>                        | <b>For the year ended<br/>31st March 2019</b> | <b>For the year ended<br/>31st March 2018</b> |
|                | Interest Income                           |   |   |
|                | Interest Income from PGVCL                | 201,700.00                                    | 163,851.00                                    |
|                | Interest on FD                            | 110,798.00                                    | 505,179.00                                    |
|                | Other interest income                     | 6,784,028.00                                  | 2,311,800.00                                  |
|                | Interest Income on IT Refund              | -   | 1,449,318.00                                  |
|                | Interest on Gratuity                      | 143,079.00                                    | 66,811.00                                     |
|                | Dividend Income                           |   |   |
|                | From Long Term Investments                | 8,494.00                                      | 8,494.00                                      |
|                | Other Income                              |   |   |
|                | Duty Drawback Income                      | 1,165,942.00                                  | 953,317.00                                    |
|                | Export Incentives                         | 91,091.00                                     | 755,912.00                                    |
|                | Excise Provision Written Back             | -   | 872,853.55                                    |
|                | VAT Refund                                | -   | 135,920.00                                    |
|                | Rate difference                           | -   | 750.00  |
|                | Quantity Difference                       | 8,028.00                                      | -   |
|                | Creditor Written Off                      | 184,085.50                                    | -   |
|                | Insurance Refund                          | -   | 170,074.00                                    |
|                | Forex Gain Or Loss                        | 1,818,684.20                                  | 871,042.50                                    |
|                | Excess Provision of Warranty Written Back | 1,508,570.00                                  | 2,837,549.00                                  |
|                | Cheque return Charges                     | 1,500.00                                      | 800.00  |
|                | Bad Debts Written off Recover             | 564,627.00                                    | -   |
|                | Kasar                                     | 2,922.22                                      | -   |
|                | Other Income                              | 37,032.00                                     | -   |
|                | <b>Total</b>                              | <b>12,630,580.92</b>                          | <b>11,103,671.05</b>                          |

| <b>Note 18</b>   | <b>COST OF MATERIAL CONSUMED</b>                |   |   |
|------------------|---|---|---|
|                  | <b>Particulars</b>                              | <b>For the year ended<br/>31st March 2019</b> | <b>For the year ended<br/>31st March 2018</b> |
|                  | Opening Stock Raw Materials                     | 40,426,729.71                                 | 44,661,758.98                                 |
|                  | Add:- Purchase of Raw Materials                 | 334,596,103.50                                | 336,132,114.88                                |
|                  | Closing Stock of Raw Materials                  | 97,126,718.69                                 | 40,426,729.71                                 |
|                  | Cost of Raw Material Consumed                   | 277,896,114.52                                | 340,367,144.15                                |
| <b>Note 18.1</b> | <b>PARTICULARS OF COST OF MATERIAL CONSUMED</b> |   |   |
|                  | <b>Particulars</b>                              | <b>For the year ended<br/>31st March 2019</b> | <b>For the year ended<br/>31st March 2018</b> |

|  |                                   |                       |                       |
|--|-----------------------------------|-----------------------|-----------------------|
|  | <b>Manufacture goods Consumed</b> |                       |                       |
|  | Lead                              | 125,262,894.00        | 215,205,476.08        |
|  | Containers                        | 11,647,360.00         | 22,570,644.00         |
|  | Battery Scrap                     | 135,535,814.00        | 27,054,367.00         |
|  | Packing Material                  | 5,455,719.00          | 7,078,894.00          |
|  | Fuel and Coal                     | 2,368,438.00          | 3,724,356.00          |
|  | LPG Cylinder                      | 1,713,884.00          | 1,855,690.00          |
|  | Acid and Chemicals                | 7,190,582.96          | 5,246,000.00          |
|  | Stores and spares                 | 4,023,974.68          | 7,355,477.80          |
|  | Raw Material                      | 9,894,054.00          | 7,602,426.00          |
|  | Separator                         | 5,939,664.00          | 10,846,918.00         |
|  | Tabular Bag                       | 5,398,152.00          | 6,092,896.00          |
|  | <b>Traded Goods</b>               |                       |                       |
|  | Others                            | 20,165,566.86         | 21,517,762.00         |
|  | <b>Total</b>                      | <b>334,596,103.50</b> | <b>336,150,906.88</b> |

| Note 19 | <b>CHANGES IN INVENTORIES OF FINISHED GOODS , STOCK IN PROCESS AND WIP</b> |   |   |
|---------|--|---|---|
|         | <b>Changes in inventories of finished goods and WIP</b>                    | <b>For the year ended 31st March 2019</b> | <b>For the year ended 31st March 2018</b> |
|         | <b><u>Inventories at the end of the year</u></b>                           |   |   |
|         | Finished Goods   | 16,129,645.00                             | 12,231,844.00                             |
|         | Work In Progress   | 6,592,388.86                              | 5,573,043.49                              |
|         | Stock-in-trade   | 2,097,690.00                              | 410,000.00                                |
|         | <b><u>Inventories at the beginning of the year</u></b>                     |   |   |
|         | Finished Goods   | 12,231,844.38                             | 9,666,317.00                              |
|         | Work In Progress   | 5,573,043.49                              | 1,975,185.54                              |
|         | Stock-in-trade   | 410,000.00                                | 241,857.32                                |
|         | <b>Net(Increase)/decrease</b>  | <b>(6,604,835.99)</b>                     | <b>(6,331,527.63)</b>                     |

| Note 20 | <b>EMPLOYEE BENEFITS EXPENSES</b>                |   |   |
|---------|--|---|---|
|         | <b>Particulars</b>                               | <b>For the year ended 31st March 2019</b> | <b>For the year ended 31st March 2018</b> |
|         | (a) Salaries and Wages                           | 23,503,080.00                             | 19,482,701.00                             |
|         | (b) Contributions to Provident Fund & Other Fund |   |   |
|         | Provident fund                                   | 2,065,299.00                              | 2,082,922.00                              |
|         | ESIC   | 483,350.00                                | 400,702.00                                |
|         | (c) Staff welfare expenses                       | 1,858,598.00                              | 2,245,645.00                              |
|         | (d) Provision for Gratuity                       | 1,332,215.00                              | 754,040.00                                |
|         | <b>Total</b>                                     | <b>29,242,542.00</b>                      | <b>24,966,010.00</b>                      |

| Note 21 | FINANCE COST              |                                       |                                       |
|---------|---------------------------|---------------------------------------|---------------------------------------|
|         | Particulars               | For the year ended<br>31st March 2019 | For the year ended<br>31st March 2018 |
|         | (a) Interest expense :-   |                                       |                                       |
|         | (i) Borrowings            | 7,467,811.95                          | 12,178,583.07                         |
|         | (ii) Others               |                                       |                                       |
|         | - Interest on TDS         | 16,374.00                             | 8,032.00                              |
|         | - Other Interest          | 516,271.00                            | 69,018.00                             |
|         | (b) Other borrowing costs | 582,956.26                            | 1,947,018.26                          |
|         | <b>Total</b>              | <b>8,583,413.21</b>                   | <b>14,202,651.33</b>                  |

| Note 22 | DEPRECIATION AND AMORTISATION |                                       |                                       |
|---------|-------------------------------|---------------------------------------|---------------------------------------|
|         | Particulars                   | For the year ended<br>31st March 2019 | For the year ended<br>31st March 2018 |
|         | Depreciation Exp              | 15,726,093.94                         | 13,095,665.00                         |
|         | <b>Total</b>                  | <b>15,726,093.94</b>                  | <b>13,095,665.00</b>                  |

| Note 23 OTHER EXPENSES |  |                                       |                                       |
|------------------------|--|---------------------------------------|---------------------------------------|
|                        | Particulars                                | For the year ended<br>31st March 2019 | For the year ended<br>31st March 2018 |
|                        | <b>Manufacturing Expenses</b>              |                                       |                                       |
|                        | Excise duty Expenses on Branch Transfer    | -                                     | 718,416.00                            |
|                        | Electric Power & Fuel                      | 18,471,295.00                         | 21,270,676.00                         |
|                        | Repair to Machinery                        | 622,349.00                            | 212,772.00                            |
|                        | Freight & Forwarding Exp                   | 8,194,490.00                          | 7,721,490.30                          |
|                        | Vat credit Reduced on Fuel and CST sale    | -                                     | 964,580.00                            |
|                        | <b>Selling &amp; Distribution Expenses</b> |                                       |                                       |
|                        | Commission Exp                             | 968,484.63                            | 823,331.00                            |
|                        | Sales Promotion Exp                        | 48,013.00                             | 6,374.00                              |
|                        | Special Discount                           | 29,600.00                             | -                                     |
|                        | Warranty Expenses                          | 6,223,991.00                          | 10,210,982.00                         |
|                        | <b>Establishment Expenses</b>              |                                       |                                       |
|                        | Advertisement Exp                          | 204,080.00                            | 83,700.00                             |
|                        | Bad Debts                                  | 479,662.00                            | 80,792.00                             |
|                        | Travelling Exp                             | 670,296.00                            | 806,381.00                            |
|                        | Rates & Taxes                              | 3,287,417.00                          | 2,046,623.00                          |
|                        | Donations                                  | 11,000.00                             | -                                     |
|                        | Payment To auditor                         | 200,000.00                            | 200,000.00                            |
|                        | Legal & Professional Fees                  | 1,049,055.00                          | 1,403,158.00                          |
|                        | Fixed Assets written off                   | 140,741.00                            | 732,842.00                            |
|                        | Loss on Sale of Vehicle                    | -                                     | 124,890.00                            |
|                        | Printing & Stationery Exp                  | 282,853.00                            | 310,291.00                            |
|                        | Other Repairs                              | 168,768.00                            | -                                     |
|                        | Rent Exp                                   | 953,614.00                            | 650,298.00                            |
|                        | Insurance Exp                              | 676,707.00                            | 440,880.00                            |
|                        | Vehicle Exp                                | 163,594.00                            | 232,955.00                            |

|                                  |                      |                      |
|----------------------------------|----------------------|----------------------|
| Telephone Exp                    | 185,249.00           | 331,259.00           |
| Listing Ceremony Exp             | -                    | 162,146.00           |
| Fines & Penalties                | -                    | 177,403.00           |
| Preliminary Expenses Written Off | 1,033,737.00         | 1,033,736.00         |
| Misc. Expenses.                  | 1,247,829.85         | 1,387,425.67         |
| <b>Total</b>                     | <b>45,312,825.48</b> | <b>52,133,400.97</b> |

| <b>Note 23.1</b> | <b>PAYMENT TO AUDITORS</b>       |   |   |
|------------------|----------------------------------|---|---|
|                  | <b>Particulars</b>               | <b>For the year ended 31st March 2019</b> | <b>For the year ended 31st March 2018</b> |
|                  | a. auditor                       | 140,000.00                                | 140,000.00                                |
|                  | b. for taxation matters          | 60,000.00                                 | 60,000.00                                 |
|                  | c. for company law matters       | -   | -   |
|                  | d. for management services       | -   | -   |
|                  | e. for other services            | -   | -   |
|                  | f. for reimbursement of expenses | -   | -   |
|                  | <b>Total</b>                     | <b>200,000.00</b>                         | <b>200,000.00</b>                         |

| <b>Note 24</b> |  |
|----------------|--|
| a)             | The Company's land, building, (other than those which are specifically hypothecate) both present and future have been placed as security under a pari passu charge for the Dropline & Cash credit loans obtained by the Company from the HDFC Bank Limited. All the said loans have not been repaid in full.                                       |
| b)             | The rupee Drop Line / CC loans from HDFC Bank Limited are secured by first charge on all fixed assets both present and future.   |
| c)             | The working capital facilities from HDFC Bank Limited are secured by hypothecation of stock of raw materials, work-in-process, finished goods, stores & spares, bills receivable and book debts. The fixed assets of the Company are provided as collateral security of some of the directors, for which no consideration has been passed to them. |

| <b>Note 25 Contingent Liabilities</b>                                   |                              |                              |
|---|------------------------------|------------------------------|
| <b>Particulars</b>  | <b>As at 31st March 2019</b> | <b>As at 31st March 2018</b> |
| Counter guarantees given to banks in respect of bank guarantees issued. | <b>13,723,900.00</b>         | <b>13,723,900.00</b>         |
| Term Loan obtains from SIDBI for Oxide Mill                             | <b>7,500,000.00</b>          | ---                          |
| Buyers Credit opened with banks (US\$)                                  | ---                          | ---                          |
| Contingent Liabilities towards Cases pending before Government          | ---                          | ---                          |
| Bills discounted with Scheduled Banks                                   | ---                          | ---                          |
| Estimated amount of contracts remaining to be executed on capital       | ---                          | ---                          |

| 26 | Comparison between purchase of Imported and Indigenous Raw materials, Stores and Spares during the year |      |                       |               |                       |               |
|----|---|------|-----------------------|---------------|-----------------------|---------------|
| I  | Raw Materials   |      |                       |               |                       |               |
|    | Particulars   | UOM  | Year ended 31.03.2019 |               | Year ended 31.03.2018 |               |
|    |   |      | Value                 | %             | Value                 | %             |
|    | Imported  | Kgs. | 539,444.00            | 0.18          | 14,102,682.00         | 4.56          |
|    | Indigenous  | Kgs. | 305,293,715.00        | 99.82         | 294,858,355.00        | 95.44         |
|    | <b>Total</b>  |      | <b>305,833,159.00</b> | <b>100.00</b> | <b>308,961,037.00</b> | <b>100.00</b> |

| II | Stores and Spares |      |                       |               |                       |               |
|----|-------------------|------|-----------------------|---------------|-----------------------|---------------|
|    | Particulars       | UOM  | Year ended 31.03.2019 |               | Year ended 31.03.2018 |               |
|    |                   |      | Value                 | %             | Value                 | %             |
|    | Imported          | Kgs. | 223,645.00            | 5.56          | 176,391.00            | 29.86         |
|    | Indigenous        | Kgs. | 3,800,330.00          | 94.44         | 414,257.00            | 70.14         |
|    | <b>Total</b>      |      | <b>4,023,975.00</b>   | <b>100.00</b> | <b>590,648.00</b>     | <b>100.00</b> |

| 27 | Value of imports made during the year by the Company calculated on CIF basis |                       |                       |  |
|----|--|-----------------------|-----------------------|--|
|    | Particulars  | Year ended 31.03.2019 | Year ended 31.03.2018 |  |
|    | Capital Goods  | 9,992,659.00          | -                     |  |
|    | Raw Materials & Components   | 510,948.00            | 13,507,263.00         |  |
|    | Stores & Spares  | 199,388.00            | 261,856.00            |  |
|    | <b>Total</b>   | <b>10,702,995.00</b>  | <b>13,769,119.00</b>  |  |

| 28 | Expenditure incurred in foreign currency during the year |                       |                       |
|----|--|-----------------------|-----------------------|
|    | Particulars  | Year ended 31.03.2019 | Year ended 31.03.2018 |
|    | Foreign travel Expense                                   | 123,048.00            | 97,679.00             |
|    | (exclusive of tickets purchased in Rupees)               |                       |                       |
|    | COMMISSION   | 117,670.00            | -                     |
|    | SEA FREIGHT  | 134,199.00            | -                     |
|    | <b>Total</b>   | <b>374,917.00</b>     | <b>97,679.00</b>      |

| 29 | FOB value of Exports made during the year |                       |                       |
|----|---|-----------------------|-----------------------|
|    | Particulars                               | Year ended 31.03.2019 | Year ended 31.03.2018 |
|    | Battery / Inverter / Trading Goods        | 67,772,621.00         | 59,690,615.00         |

| <b>30</b>   | <b>Disclosure required by the AS-15 (Revised)- Employee Benefits</b>   |                       |              |                       |              |
|---|--|-----------------------|--------------|-----------------------|--------------|
|   | <b>Reconciliation of Present Value of Defined Benefits Obligations</b> |                       |              |                       |              |
|   | Particulars  | Year ended 31.03.2019 |              | Year ended 31.03.2018 |              |
|   |  | Gratuity              | Leave salary | Gratuity              | Leave salary |
|   | Present value of obligations at the period beginning                   | 1,526,977             | 237,567      | 1,337,841             | 80,000       |
|   | Service cost   | -                     | -            | -                     | -            |
|   | Benefits paid  | -                     | -            | -                     | -            |
|   | Actual (gain)/Loss   | -                     | -            | -                     | -            |
|   | Present value of obligations at the period end                         | 1,526,977             | 237,567      | 1,337,841             | 80,000       |
| Note: At present the obligations are un funded and company intends to adopt the contribution plans and funding with an arrangement to LIC of India. |  |                       |              |                       |              |

|           |  |                   |                   |
|-----------|--|-------------------|-------------------|
| <b>31</b> | <b>Remuneration to Directors</b>   |                   |                   |
|           | <b>Details of remuneration to Non-Executive Chairmen &amp; Directors</b> |                   |                   |
|           | Particulars  | <b>31.03.2019</b> | <b>31.03.2018</b> |
| 1.        | Remuneration   | 7,200,000.00      | 7,300,000.00      |

| <b>32</b> | <b>Fixed Deposits</b>                       |                   |                   |
|-----------|---|-------------------|-------------------|
|           | Particulars                                 | <b>31.03.2019</b> | <b>31.03.2018</b> |
| 1.        | Lodged as security with various authorities | 11,342,751.00     | 4,066,351.00      |
| 2.        | Towards Margin Money Deposit                | 1,375,000.00      | 1,375,000.00      |

| <b>33 A</b> | <b>Advances from customers include debts due from companies in which the directors are interested</b> |                   |                   |
|-------------|---|-------------------|-------------------|
|             | Particulars   | <b>31.03.2019</b> | <b>31.03.2018</b> |
| 1.          | Gold Star Battery Uganda  | 3,458,500.00      | 3,036,809.00      |
| 2.          | Towards Margin Money Deposit  | 1,375,000.00      | 1,375,000.00      |

| <b>33 B</b> | <b>Sundry creditors include debts due from companies in which the directors are interested</b> |                   |                   |
|-------------|--|-------------------|-------------------|
|             | Particulars  | <b>31.03.2019</b> | <b>31.03.2018</b> |
|             | Bluestar Energy Pvt Ltd  | 2,202,949.00      | -                 |

|           |  |
|-----------|--|
| <b>34</b> | <b>Related Party Transactions</b>  |
|           | Related Parties particulars pursuant to "Accounting Standard -18"                                      |
| <b>A</b>  | <b>List of Related parties</b>   |
|           | <b>Key Management Personnel</b>  |
|           | Muljibhai M Pansara  |
|           | Amrutlal Mohanbhai Pansara   |
|           | Navneet M Pansara  |
|           | Dhruti N Pansara   |
|           | Vishal M Pansara   |
|           | Darshak Thaker   |
|           |  |
| <b>B</b>  | <b>Relatives of Key Management Personnel</b>   |
|           | Leelaben M. Pansara  |
|           | Geetaben A. Pansara  |
|           | Muljibhai M Pansara-HUF  |
|           | Amrutlal Mohanbhai Pansara-HUF   |
|           | Shivam A. Pansara  |
|           | Manshi V. Pansara  |
|           |  |
| <b>C</b>  | <b>Enterprises in which Key management personnel and/or their relatives have Significant influence</b> |
|           | Blue Star Energy Pvt. Ltd.   |
|           | Blue Star Wind Energy Pvt. Ltd.  |

**B Transaction with related Parties**

|           | Particulars                         | Year ended 31.03.19      |                                       |                | Year ended 31.03.18      |                                       |                |
|-----------|-------------------------------------|--------------------------|---------------------------------------|----------------|--------------------------|---------------------------------------|----------------|
|           |                                     | Key Management personnel | Relatives of key Management Personnel | Sister Concern | Key Management personnel | Relatives of key Management Personnel | Sister Concern |
| <b>I</b>  | <b>Transactions during the year</b> |                          |                                       |                |                          |                                       |                |
|           | Remuneration Paid                   | 7,200,000                |                                       | -              | 7,300,000                |                                       | -              |
|           | Turnover                            | -                        |                                       | 13,806,304     | -                        |                                       | 7,147,711      |
|           | Service Received                    | -                        |                                       | -              | -                        |                                       | -              |
|           | Rent Paid                           | 324,000                  | -                                     | -              | 60,000                   | -                                     | -              |
|           | Interest Paid                       | 652,542                  | 792,554                               | -              | 2,569,841                | 2,425,404                             | -              |
|           |                                     |                          |                                       |                |                          |                                       |                |
| <b>II</b> | <b>Balance as at 31.03.2019</b>     |                          |                                       |                |                          |                                       |                |
|           | Share capital held by               | 5,966,784                | 1,833,216                             | -              | 5,966,784                | 1,833,216                             | -              |
|           | Percentage of Share Holding         | 55.77                    | 17.14                                 | -              | 55.77                    | 17.14                                 | -              |



| 35     | Notes forming part of accounts in relation to Micro and small enterprise  |                       |          |                       |          |
|--------|---|-----------------------|----------|-----------------------|----------|
| 1.     | Based on information available with the company, on the status of the suppliers being Micro or small enterprises, on which the auditors have relied, the disclosure requirements of Schedule VI to the Companies Act, 1956 with regard to the payments made/due to Micro and small Enterprises are given below. |                       |          |                       |          |
| Sr. No | Particulars   | Year ended 31.03.2019 |          | Year ended 31.03.2018 |          |
|        |   | Principal             | Interest | Principal             | Interest |
| I      | Amount due as at the date of balance sheet  | Nil                   | Nil      | Nil                   | Nil      |
| II     | Amounts paid beyond the appointed date during the year.   | Nil                   | Nil      | Nil                   | Nil      |
| III    | Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date.   | Nil                   | Nil      | Nil                   | Nil      |
| IV     | The amount of interest accrued and remaining unpaid as at the date of Balance Sheet.  | Nil                   | Nil      | Nil                   | Nil      |

| 36 | Major components of Deferred Tax Assets and Liabilities as at 31.03.2019 arising on account of timing differences are: |               |               |
|----|--|---------------|---------------|
|    | Particulars  | 31.03.2019    | 31.03.2018    |
| 1. | Depreciation   | 15,726,094.00 | 13,095,665.00 |
| 2. | Amounts disallowed U/s. 43b of the IT Act & Others   | 1,375,000.00  | 1,375,000.00  |
| 3. | Carried forward Loss   |               |               |
|    | Net Deferred Tax Liability as on March31, 2019   | 13,180,000.00 | 18,300,000.00 |

| 37 | Details of Provision for Warranty Expenses         |               |               |
|----|--|---------------|---------------|
|    | Particulars  | 31.03.2019    | 31.03.2018    |
| 1. | Depreciation                                       | 15,726,094.00 | 13,095,665.00 |
| 2. | Amounts disallowed U/s. 43b of the IT Act & Others | 1,375,000.00  | 1,375,000.00  |
| 3. | Carried forward Loss                               |               |               |
|    | Net Deferred Tax Liability as on March31, 2019     | 13,180,000.00 | 18,300,000.00 |

|    |   |
|----|---|
| 38 | The balances in various personal accounts are subject to confirmation by and reconciliation with the concerned parties. |
|----|---|

|    |   |
|----|---|
| 39 | In the opinion of the Board of Directors the Current assets, loans and advances are expected to realize the value stated in the accounts, in the ordinary course of business. |
|----|---|

|    |   |
|----|---|
| 40 | The previous year's figures have been reworked, regrouped, and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an |
|----|---|

|  |  |
|--|--|
|  | integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year. |
|--|--|

|    |   |
|----|---|
| 41 | Figures have been rounded off to the nearest thousands and rupees whenever it is mentioned in rupees. |
|----|---|

| 42 | Earnings Per Shares   |               |               |
|----|---|---------------|---------------|
|    | Particulars   | 31.03.2019    | 31.03.2018    |
|    | Profit/(Loss) after tax attributable to Equity Shareholders (A)             | 10,106,561.00 | 2,889,805.76  |
|    | Weight Number of Equity share outstanding during the year (B)               | 10,698,000.00 | 9,137,391.78  |
|    | Basic & Diluted Earnings per share for each share of Rs. 10/- (c) = (a)/(b) | 0.94          | 0.31          |
|    | Net Deferred Tax Liability as on March31, 2019                              | 13,180,000.00 | 18,300,000.00 |

| Particulars   | 31.03.2019 | Shares       | 31.03.2018 | Shares       |
|---|------------|--------------|------------|--------------|
| No of shares Outstanding at the opening during the year                     |            | 10,698,000   |            | ---          |
| Weight Number of Equity share outstanding during the year (B)               |            | 10,698,000   |            | 2,898,000.00 |
| Basic & Diluted Earnings per share for each share of Rs. 10/- (c) = (a)/(b) |            | 0.94         |            | 6,500,000.00 |
| Net Deferred Tax Liability as on March31, 2019                              |            | 9,137,391.78 |            | 9,137,391.78 |



**GOLDSTAR POWER LIMITED | CIN: L36999GJ1999PLC036274**

**Registered Office:** Behind Ravi Petrol Pump, Rajkot Highway, At & Post Hapa, Dist. Jamnagar, Gujarat-361120

Phone: +91 288 257 11 20/21 | Email: [admin@goldstarpower.com](mailto:admin@goldstarpower.com) | Website: [www.goldstarpower.com](http://www.goldstarpower.com)

**ATTENDANCE/ BALLOT FORM MGT-12**

(TO BE USED BY THE SHAREHOLDERS PERSONALLY PRESENT/ THROUGH PROXY AT THE MEETING AND HAVE NOT OPTED FOR E-VOTING)

**Name and Address of the Sole/ First named Shareholder(s):**

**Name(s) of the Joint Holder(s) (if any):**

**Registered Folio No./ DPID-Client ID:**

**Number of Share(s) held:**

I/we hereby exercise my/our attendance at the meeting and vote(s) in respect of the Resolutions set out in the notice of 20<sup>th</sup> Annual General Meeting (AGM) of the Company held on Wednesday, September 25, 2019 at Behind Ravi Petrol Pump, Rajkot Highway, At & Post Hapa, Dist. Jamnagar, Gujarat, India, by placing the tick (✓) mark at the appropriate box below:

| Sr. No | Resolutions   | Voting |         |         |
|--------|---|--------|---------|---------|
|        |   | For    | Against | Abstain |
| 1.     | Adoption of Audited Financial Statements of the Company and Reports of Board of Directors and Auditors thereon for the Financial Year 2018-2019.                          |        |         |         |
| 2.     | Appoint Mr. Amrutlal M. Pansara as a Whole Time Director who is liable to retire by rotation and being eligible, offers himself for Re-Appointment.                       |        |         |         |
| 3.     | Appointment of M/s. Jain Chowdhary & Co., Chartered Accountants, Mumbai, (FRN No: 113267W) as Statutory Auditors for the period of 5 years and Fixing their Remuneration. |        |         |         |

Place: .....

Date: .....

.....Signature of Shareholder/ Proxy Holder)

**Note:** This form is to be used for exercising attendance/ voting at the time of 20<sup>th</sup> Annual General Meeting to be held on Wednesday, September 25, 2019 by Shareholders/ Proxy. Duly filled in and signed ballot form should be dropped in the Ballot box kept at the venue of AGM.



**GOLDSTAR POWER LIMITED | CIN: L36999GJ1999PLC036274**

**Registered Office:** Behind Ravi Petrol Pump, Rajkot Highway, At & Post Hapa, Dist. Jamnagar, Gujarat-361120

Phone: +91 288 257 11 20/21 | Email: [admin@goldstarpower.com](mailto:admin@goldstarpower.com) | Website: [www.goldstarpower.com](http://www.goldstarpower.com)

### **PROXY FORM MGT-11**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules 2014)

**Name of Member(s):**

**Registered Address:**

**Email ID:**

**Folio No./Client ID/ DP ID:**

I/we being the member(s) of \_\_\_\_\_ Equity shares of Goldstar Power Limited do hereby appoint:

1. Name: .....Address: .....  
Email ID: .....Signature: ..... or Failing him,
2. Name: .....Address: .....  
Email ID: .....Signature: ..... or Failing him,
3. Name: .....Address: .....  
Email ID: .....Signature: .....

as my or our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of members of the Company, to be held on **Wednesday, 25<sup>th</sup> September, 2019 at 11:00 A.M.** at the Registered Office of the Company and at any adjournment thereof, in respect of such resolutions as are indicated below:

| Sr. No | Resolutions   | Voting |         |         |
|--------|---|--------|---------|---------|
|        |   | For    | Against | Abstain |
|        | <b>Ordinary Business</b>  |        |         |         |
| 1.     | Adoption of Audited Financial Statements of the Company and Reports of Board of Directors and Auditors thereon for the Financial Year 2018-2019.                          |        |         |         |
| 2.     | Appoint Mr. Amrutlal M. Pansara as a Director who is liable to retire by rotation and being eligible, offers himself for Re-Appointment.                                  |        |         |         |
| 3.     | Appointment of M/s. Jain Chowdhary & Co., Chartered Accountants, Mumbai, (FRN No: 113267W) as Statutory Auditors for the period of 5 years and Fixing their Remuneration. |        |         |         |

Signed this \_\_\_\_\_ day \_\_\_\_\_, 2019

Signature of Shareholder

Signature of Proxy Holder(s)

**AFFIX  
REVENUE  
STAMP HERE**

**Note:** This form of proxy, in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.



**GOLDSTAR POWER LIMITED | CIN: L36999GJ1999PLC036274**

**Registered Office:** Behind Ravi Petrol Pump, Rajkot Highway, At & Post Hapa, Dist. Jamnagar, Gujarat-361120

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### **ROUTE MAP TO THE VENUE OF 20<sup>TH</sup> ANNUAL GENERAL MEETING**

(Registered Office: Behind Ravi Petrol Pump, Rajkot Highway, At & Post Hapa, Dist. Jamnagar-361120, Gujarat, India)



Regd. Office & Factory :  
Rajkot Road,  
Hapa - 361 120  
Dist. Jamnagar, (Gujarat) India.

Tel : +91 288 257 11 20/21  
marketing@goldstarpower.com

[www.goldstarpower.com](http://www.goldstarpower.com)

Branch Office :  
3, J. P. Estate, B/H. Sukh Sagar Hotel,  
Sanand Cross Road, Sarkhej,  
Ahmedabad - 382 210 (Gujarat) India.

Tel : +91 79 268 90 90 1  
ahmedabad@goldstarpower.com

